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#15
New No.

LAW OFFICES

ALVORD AND ALVORD

200 WORLD CENTER BUILDING

918 SIXTEENTH STREET, N W

WASHINGTON, D.C.

20006-2973

(202) 393-2266

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD*
CHARLES T. KAPPLER
JOHN H. DOYLE*
RICHARD N. BAGENSTOS
JAMES C. MARTIN, JR.*

* ALSO ADMITTED IN NEW YORK
* ALSO ADMITTED IN MARYLAND

OF COUNSEL
URBAN A. LESTER

CABLE ADDRESS
ALVORD

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TELEFAX
(202) 393-2156

May 31, 1990

RECORDATION NO. 16888 FILED 1425

JUN 5 1990 -12 00 PM

INTERSTATE COMMERCE COMMISSION

Ms. Noreta R. McGee
Secretary
INTERSTATE COMMERCE COMMISSION
Washington, D.C. 20423

Dear Ms. McGee:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two original fully executed and acknowledged copies of a Security Agreement dated as of May 18, 1990, a primary document as defined in the Commission's Rules for the Recordation of Documents, 49 C.F.R. Section 1177.

The names and addresses of the parties to the enclosed document are:

Borrower: El Dorado Chemical Company
16 Pennsylvania Avenue
Oklahoma City, Oklahoma 73107

Secured Party: Household Commercial Financial
Services, Inc., as Agent
2700 Sanders Road
Prospect Heights, Illinois 60070

A description of the railroad equipment covered by the enclosed document is set forth in Schedule VII attached hereto and made a part hereof.

Also enclosed is a check in the amount of \$15 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return a stamped copy of the enclosed document to Charles T. Kappler, Esq., Alvord and Alvord, 918 Sixteenth Street, N.W., Washington, D.C. 20006.

JUN 5 11 29 AM '90
RECEIVED
MAIL ROOM

C. Quarterback - C.T. Kappler

Ms. Noreta R. McGee
Secretary
Interstate Commerce Commission
May 31, 1990
Page Two

A short summary of the enclosed primary document to appear in
the Commission's Index is:

Security Agreement dated as of May 18, 1990
between El Dorado Chemical Company, Borrower,
and Household Commercial Financial Services,
Inc., Secured Party, covering owned tank cars
bearing EDCX marks and numbers and leased tank
cars bearing GATX, TLCX and TLDX marks and
numbers.

Very truly yours,


Charles T. Kappler

CTK/bg
Enclosures

SCHEDULE VII

INDUSTRIAL ACID RAILCAR STATUS REPORT

12-Sep-89

RAILCAR NUMBER	DOT NUMBER	DATE BUILT	MANDATORY RETIREMENT DATE	CAPACITY, GALLONS	APPROX CAPACITY	TARE WT, POUNDS	LEASE EXP DATE	MONTHLY LEASE PYMT	MILEAGE CREDIT, \$/MI
EDCX 6200	111A60-ALW2	Jun-69	01-Jan-2010	20509	120 TONS	52900			
EDCX 6201	111A60-ALW2	Jul-69	01-Jan-2010	20519	120 TONS	52400			
EDCX 6202	111A60-ALW2	Sep-69	01-Jan-2010	20537	120 TONS	53200			
EDCX 6203	111A60-ALW2	Sep-69	01-Jan-2010	20526	120 TONS	52800			
EDCX 6204	111A60-ALW2	Aug-69	01-Jan-2010	20542	120 TONS	52600			
EDCX 6205	111A60-ALW2	Sep-69	01-Jan-2010	20534	120 TONS	52500			
EDCX 6207	111A60-ALW2	Sep-69	01-Jan-2010	20575	120 TONS	53100			
EDCX 6018	111A60-ALW2	Feb-79	01-Jan-2020	17119	95 TONS	47600			
EDCX 6019	111A60-ALW2	Feb-79	01-Jan-2020	17128	95 TONS	47000			
EDCX 6020	111A60-ALW2	Nov-79	01-Jan-2020	17108	95 TONS	46900			
GATX 27001	111A60-ALW2			APPROX 17200	95 TONS	45600	31-Mar-93	\$625/MONTH	\$0.516
GATX 27002	111A60-ALW2			APPROX 17200	95 TONS	46100	31-Mar-93	\$625/MONTH	\$0.516
GATX 27013	111A60-ALW2			APPROX 17200	95 TONS	45800	31-Mar-93	\$625/MONTH	\$0.526
EDCX 6000	ICC-103-A-ALW	Feb-61	01-Jan-2002	16027	90 TONS	52100			
EDCX 6001	ICC-103-A-ALW	Feb-61	01-Jan-2002	16056	90 TONS	53200			
EDCX 6002	ICC-103-A-ALW	Mar-61	01-Jan-2002	16062	90 TONS	52200			

INDUSTRIAL ACID RAILCAR STATUS REPORT

12-Sep-89

RAILCAR NUMBER	DOT NUMBER	DATE BUILT	MANDATORY RETIREMENT DATE	CAPACITY, GALLONS	APPROX CAPACITY	TARE WT, POUNDS	LEASE EXP DATE	MONTHLY LEASE PYMT	MILEAGE CREDIT,\$/MI
EDCX 6003	ICC-103-A-ALW	Feb-61	01-Jan-2002	16054	90 TONS	53200			
EDCX 6004	ICC-103-A-ALW	Mar-61	01-Jan-2002	16078	90 TONS	53200			
EDCX 6005	ICC-103-A-ALW	Mar-61	01-Jan-2002	16121	90 TONS	52300			
EDCX 6006	ICC-103-A-ALW	Aug-61	01-Jan-2002	16077	90 TONS	53300			
EDCX 6007	ICC-103-A-ALW	Apr-61	01-Jan-2002	16076	90 TONS	53400			
EDCX 6008	ICC-103-A-ALW	Apr-61	01-Jan-2002	16074	90 TONS	53500			
EDCX 6009	ICC-103-A-ALW	Mar-61	01-Jan-2002	16111	90 TONS	53000			
EDCX 6010	ICC-103-A-ALW	Jan-62	01-Jan-2003	15907	90 TONS	53600			
EDCX 6012	ICC-103-A-ALW	Aug-62	01-Jan-2003	15916	90 TONS	53700			
EDCX 6013	ICC-103-A-ALW	Feb-62	01-Jan-2003	15910	90 TONS	53000			
EDCX 6014	103-A-ALW	Jun-63	(X) 01-Jan-2014	16014	90 TONS	51700			
EDCX 6015	103-A-ALW	Jun-63	(X) 01-Jan-2014	16032	90 TONS	53100			
EDCX 6016	103-A-ALW	Feb-64	(X) 01-Jan-2015	16028	90 TONS	51800			
EDCX 6017	103-A-ALW	Feb-64	(X) 01-Jan-2015	16064	90 TONS	51400			
EDCX 2350	111AL-100ALW	Nov-51	(XX) 01-Jan-91	10295	60 TONS	45900			
EDCX 2352	111AL-100ALW	Nov-51	(XX) 01-Jan-91	10285	60 TONS	46200			

INDUSTRIAL ACID RAILCAR STATUS REPORT

12-Sep-89

RAILCAR NUMBER	DOT NUMBER	DATE BUILT	MANDATORY RETIREMENT DATE	CAPACITY, GALLONS	APPROX CAPACITY	TARE WT, POUNDS	LEASE EXP DATE	MONTHLY LEASE PYMT	MILEAGE CREDIT, \$/MI
EDCX 2353	111AL-100ALW	Nov-51	(xx) 01-Jan-91	10291	60 TONS	46200			
EDCX 2357	111AL-100ALW	Nov-51	(xx) 01-Jan-91	10256	60 TONS	45600			
EDCX 2358	111AL-100ALW	Nov-51	(xx) 01-Jan-91	10260	60 TONS	45800			
EDCX 2359	111AL-100ALW	Nov-51	(xx) 01-Jan-91	10258	60 TONS	45600			
TLCX 113011	111-A-100-W2			13603	100 TONS	51100	31-May-94	\$480/MONTH	
TLCX 113009	111-A-100-W2			13565	100 TONS	52100	31-May-94	\$480/MONTH	
GATX 50900	111-A-100-W2			APPROX 13000	100 TONS	59800	30-Apr-91	\$460/MONTH	\$0.728
GATX 50905	111-A-100-W2			APPROX 13000	100 TONS	59900	30-Apr-91	\$460/MONTH	\$0.728
GATX 50930	111-A-100-W2			APPROX 13000	100 TONS	60200	30-Apr-91	\$460/MONTH	\$0.728

(x)--These cars were rebuilt from April-August, 1988 to upgrade the running gear. This work gave us an additional 10 years of use on the cars.

(xx)--These cars must be retired in 1991 due to inadequate bearings. They are currently equipped with friction bearings. As of 1/1/91, all cars must be equipped with roller bearings.

	Dot No.	Date Built	Mandatory Retirement Date	Capacity Gallons	Approx. Capacity	Tare Wt. Pounds
6021*	111A6oAhW2	10/89	1/1/2029	17420	100 Tons	47100
6022*	"	10/89	"	17390	"	47200
6023*	"	10/89	"	17391	"	47600
6024*	"	10/89	"	17379	"	47200
6025*	"	10/89	"	17386	"	47000
6026*	"	10/89	"	17395	"	47200

*These railroad cars are financed by Ford Equipment Finance Co., with a purchase money security interest granted to Ford Equipment Finance Co.

Interstate Commerce Commission

Washington, D.C. 20423

6/5/90

OFFICE OF THE SECRETARY

Charles T. Kappler
Alvord And Alvord
200 World Center Building
918 Sixteenth Street, N. W.
Washington, D. C. 20006-2973

Dear Sirs:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 6/5/90 at 12:00PM, and assigned recordation number(s). 16888.

Sincerely yours,



Noreta R. McGee
Secretary

Enclosure(s)

RECORDATION NO **16888** FILED 1425

JUN 5 1990 -12 00 PM

INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT

by and between

EL DORADO CHEMICAL COMPANY

and

HOUSEHOLD COMMERCIAL FINANCIAL SERVICES, INC.

Dated as of May 18, 1990

90-86840-7

05/16/90/JRR-0214

SECURITY AGREEMENT

THIS SECURITY AGREEMENT, dated as of May 18, 1990 (herein, as the same may at any time be amended or modified and in effect, called this "Agreement"), is by and between EL DORADO CHEMICAL COMPANY, an Oklahoma corporation (herein called "Borrower"), and HOUSEHOLD COMMERCIAL FINANCIAL SERVICES, INC., a Delaware corporation ("HCFS"), as agent (herein, together with its successors and assigns in such capacity, called "Agent") under the Secured Credit Agreement hereinafter referred to.

BACKGROUND:

1. Borrower, HCFS, Connecticut Mutual Life Insurance Company, C.M. Life Insurance Company (herein, together with HCFS called "Lenders" and each individually called "Lender") and Agent have entered into a certain Secured Credit Agreement, dated as of May 16, 1990 (herein, as it may at any time be amended or modified from time to time and in effect, called the "Secured Credit Agreement"), pursuant to which Lenders have agreed, upon the terms and conditions set forth therein, to make certain Loans (as defined in the Secured Credit Agreement) to Borrower.

2. It is a condition precedent to the making of the initial Loans under the Secured Credit Agreement that this Agreement be executed and delivered.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1. Definitions. (a) When used herein, the following terms shall have the following meanings:

Account shall mean any right of Borrower to payment for goods sold or leased or for services rendered which is not evidenced by an instrument or Chattel Paper, whether or not it has been earned by performance.

Benefits - see Section 16.

Certificated Security shall have the meaning assigned to such term in the Uniform Commercial Code.

Chattel Paper shall have the meaning assigned to such term in the Uniform Commercial Code.

Collateral shall mean all property or rights in which a Security Interest is granted hereunder.

Commitments shall mean, collectively, the commitments of each Lender to Borrower pursuant to the Secured Credit Agreement.

Computer Hardware and Software Collateral shall mean (i) all computer and other electronic data processing hardware, integrated computer systems, central processing units, memory units, display terminals, printers, features, computer elements, card readers, tape drives, hard and soft disk drives, cables, electrical supply hardware, generators, power equalizers, accessories and all peripheral devices and other related computer hardware, whether now owned, licensed or leased or hereafter acquired by Borrower; (ii) all software programs (including source code and object code and all related applications and data files), whether now owned, licensed or leased or hereafter acquired by Borrower, designed for use on the computers and electronic data processing hardware described in clause (i) above; (iii) all firmware associated therewith, whether now owned, licensed or leased or hereafter acquired by Borrower; and (iv) all documentation (including flow charts, logic diagrams, manuals, guides and specifications) for such hardware, software and firmware described in the preceding clauses (i), (ii) and (iii), whether now owned, licensed or leased or hereafter acquired by Borrower; and (v) all rights with respect to all of the foregoing, including, without limitation, any and all copyrights, licenses, options, warranties, service contracts, program services, test rights, maintenance rights, support rights, improvement rights, renewal rights and indemnifications and any substitutions, replacements, additions or model conversions of any of the foregoing.

Copyright Collateral shall mean all copyrights and all semiconductor chip product mask works of Borrower, whether statutory or common law, registered or unregistered, now or hereafter in force throughout the world, including, without limitation, all of Borrower's right, title and interest in and to all copyrights and mask works registered in the United States Copyright Office or anywhere else in the world and also including, without limitation, the copyrights and mask works referred to in Item A of Schedule III attached hereto, and all applications for registration thereof, whether pending or in preparation, all copyright and mask work licenses, including each copyright and mask work license referred to in Item B of Schedule III attached hereto, the right to sue for past, present and future infringements of any thereof, all rights corresponding thereto throughout the world, all extensions and renewals of any thereof and all proceeds of the foregoing, including, without limitation, licenses, royalties, income, payments, claims, damages and proceeds of suit.

Default shall mean an Unmatured Event of Default or any Event of Default.

Document shall have the meaning assigned to such term in the Uniform Commercial Code.

Equipment shall have the meaning assigned to such term in the Uniform Commercial Code.

Event of Default shall have the meaning assigned to such term in the Secured Credit Agreement.

Fixture shall have the meaning assigned to such term in the Uniform Commercial Code.

General Intangibles shall have the meaning assigned to such term in the Uniform Commercial Code.

Goods shall have the meaning assigned to such term in the Uniform Commercial Code, but shall exclude Inventory.

Instrument shall have the meaning assigned to such term in the Uniform Commercial Code.

Intangible Collateral shall mean all Collateral other than Goods.

Intellectual Property Collateral shall mean, collectively, the Computer Hardware and Software Collateral, the Copyright Collateral, the Patent Collateral, the Trademark Collateral and the Trade Secrets Collateral.

Inventory shall mean goods, merchandise and other personal property furnished under any contract of service or intended for sale or lease, including, without limitation, all raw materials, work in process, finished goods and materials and supplies, of any kind, nature or description, that are used or consumed by Borrower's business, or are or might be used in connection with the manufacture, packing, shipping, advertising, selling or finishing of such goods, merchandise and other personal property, and all returned or repossessed goods now or at any time or times hereafter in the possession or under the control of Borrower or Agent.

Liabilities shall mean all obligations to Agent, any Lender and their successors and assigns of Borrower, any of its Subsidiaries or Parent under or in connection with the Secured Credit Agreement, any Note or the other Loan Documents (including, in the case of the Parent, the Pledge Agreement), in each case howsoever created, arising or evidenced, whether direct

or indirect, joint or several, absolute or contingent, or now or hereafter existing, or due or to become due, but excluding any obligations of Borrower under the Working Capital Agreement.

Loan Documents shall have the meaning assigned to such term in the Secured Credit Agreement.

Mortgages shall have the meaning assigned to such term in the Secured Credit Agreement.

Northwest Leases shall have the meaning assigned to such term in the Secured Credit Agreement.

Notes shall mean any and all promissory notes of Borrower evidencing any loan or advance made by any Lender to Borrower pursuant to the Secured Credit Agreement, and any promissory notes taken in extension or renewal of any thereof or in replacement therefor.

Patent Collateral shall mean:

(a) all letters patent and applications for letters patent throughout the world, including all patent applications in preparation for filing anywhere in the world and including each patent and patent application referred to in Item A of Schedule II attached hereto;

(b) all patent licenses, including each patent license referred to in Item B of Schedule II attached hereto;

(c) all reissues, divisions, continuations, continuations-in-part, extensions, renewals and reexaminations of any of the items described in clauses (a) and (b); and

(d) all proceeds of, and rights associated with, the foregoing (including license royalties and proceeds of infringement suits), the right to sue third parties for past, present or future infringements of any patent or patent application, including any patent or patent application referred to in Item A of Schedule II attached hereto, and for breach or enforcement of any patent license, including any patent license referred to in Item B of Schedule II attached hereto, and all rights corresponding thereto throughout the world.

Permitted Liens shall mean the Security Interests permitted to exist by Section 10B.14 of the Secured Credit Agreement.

Pledge Agreement shall have the meaning assigned to such term in the Secured Credit Agreement.

Required Lenders shall have the meaning assigned to such term in the Secured Credit Agreement.

Security shall have the meaning assigned to such term in the Uniform Commercial Code.

Security Interest shall, when used with respect to any Person, mean any interest in any real or personal property, asset or other right owned or being purchased or acquired by such Person for its own use, consumption or enjoyment in its business which secures payment or performance of any obligation and shall include any mortgage, lien, pledge, encumbrance, charge or other security interest of any kind, whether arising under a security agreement, mortgage, deed of trust, chattel mortgage, assignment, pledge, financing or similar statement or notice or as a matter of law, judicial process or otherwise. As used herein with respect to the rights granted to Agent hereunder in the Collateral, "Security Interest" means a security interest under the Uniform Commercial Code.

Supermajority of Lenders shall have the meaning assigned to such term in the Secured Credit Agreement.

Trademark Collateral shall mean:

(a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, certification marks, collective marks, logos, other source of business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of a like nature (each of the foregoing items in this clause (a) being called a "Trademark"), now existing anywhere in the world or hereafter adopted or acquired, whether currently in use or not, all registrations and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications in the United States Patent and Trademark Office or in any office or agency of the United States of America or any State thereof or any foreign country, including those referred to in Item A of Schedule I attached hereto;

(b) all Trademark licenses, including each Trademark license referred to in Item B of Schedule I attached hereto;

(c) all reissues, extensions or renewals of any of the items described in clauses (a) and (b);

(d) all of the goodwill of the business connected with the use of, and symbolized by the items described in, clauses (a) and (b); and

(e) all proceeds of, and rights associated with, the foregoing, including any claim by Borrower against third parties for past, present or future infringement or dilution of any Trademark, Trademark registration or Trademark license, including any Trademark, Trademark registration or Trademark license referred to in Item A and Item B of Schedule I attached hereto, or for any injury to the goodwill associated with the use of any such Trademark or for breach or enforcement of any Trademark license.

Trade Secrets Collateral shall mean common law and statutory trade secrets and all other confidential or proprietary or useful information and all know-how obtained by or used in or contemplated at any time for use in the business of Borrower (each of the foregoing being called a "Trade Secret"), whether or not such Trade Secret has been reduced to a writing or other tangible form, including all documents and things embodying, incorporating or referring in any way to such Trade Secret, all Trade Secret licenses, including each Trade Secret license referred to in Schedule IV attached hereto, and including the right to sue for and to enjoin and to collect damages for the actual or threatened misappropriation of any Trade Secret and for the breach or enforcement of any such Trade Secret license.

Uncertificated Security shall have the meaning assigned to such term in the Uniform Commercial Code.

Uniform Commercial Code shall mean the Uniform Commercial Code as in effect in the State of Illinois on the date of this Agreement.

Unmatured Event of Default shall mean any event which, with the passage of time or giving of notice, or both, will become an Event of Default.

Waiver Agreement shall mean a declaration and agreement substantially in the form of Exhibit A hereto (and in form and substance satisfactory to the Required Lenders) executed and delivered by the appropriate Persons pursuant to Section 4(d).

Working Capital Agreement shall have the meaning assigned to such term in the Secured Credit Agreement.

(b) Unless otherwise defined herein, terms defined in the Secured Credit Agreement shall have the same meaning when used herein notwithstanding any termination thereof. Terms not otherwise defined herein or in the Secured Credit Agreement shall have the meanings, if any, ascribed to them under the Uniform Commercial Code, as it may be in effect in the State of Illinois.

SECTION 2. Grant of Security Interest. As collateral security for the prompt and complete payment and performance of all Liabilities, Borrower hereby mortgages, pledges and assigns to Agent for the benefit of Lenders and grants to Agent for the benefit of Lenders a continuing Security Interest in all property of Borrower wherever located, whether now or hereafter existing, owned, licensed, leased, consigned by Borrower, arising or acquired, including, without limitation, all of Borrower's:

- (i) Goods (including, without limitation, all of Borrower's Equipment, including railcars and vehicles, and Fixtures, but excluding Inventory);
- (ii) General Intangibles, including, without limitation,
 - (A) All tax refunds,
 - (B) All Intellectual Property Collateral, and
 - (C) Rights arising out of leases, licenses and contracts which are not Accounts;
- (iii) Chattel Paper, Documents, Instruments, Certificated Securities and Uncertificated Securities;
- (iv) Insurance policies, including claims or rights to payment thereunder (other than policies related to Inventory); and
- (v) Liens, guaranties and other rights and privileges pertaining to any of the Collateral;

together with: (viii) all books, ledgers, books of account, records, writings, data bases, information and other property relating to, used or useful in connection with, evidencing, embodying, incorporating or referring to, any of the foregoing; and (ix) all proceeds, products, rents, issues, profits and returns of and from any of the foregoing; provided, however, that none of Borrower's Accounts, Inventory, nor any proceeds thereof, nor any Documents or Instruments representing any of the foregoing, shall constitute Collateral for purposes of this Agreement.

SECTION 3. Borrower to Remain Liable. Borrower hereby expressly agrees that, anything herein to the contrary notwithstanding, it shall remain liable to observe and perform all of the conditions and obligations to be observed and performed by Borrower under each contract, agreement, interest or obligation assigned to Agent hereunder, all in accordance with and pursuant to the terms and provisions thereof; it being understood that Borrower shall have no obligation to renew any contract unless required to do so by such contract. The exercise by Agent of any of the rights assigned hereunder shall not release Borrower from any of its duties or obligations under any such contract, agreement, interest or obligation. Agent shall not have any duty, responsibility, obligation or liability under any such contract, agreement, interest or obligation by reason of or arising out of the assignment thereof to Agent or the granting to Agent of a Security Interest therein or the receipt by Agent or any Lender of any payment relating to any such contract, agreement, interest or obligation pursuant hereto, nor shall Agent be required or obligated in any manner to perform or fulfill any of the obligations of Borrower thereunder or pursuant thereto, or to make any payment, or to make any inquiry as to the nature or sufficiency of any payment received by it or the sufficiency of any performance of any party under any such contract, agreement, interest or obligation, or to present or file any claim, or to take any action to collect or enforce any performance or the payment of any amounts which may have been assigned to it, in which it may have been granted a Security Interest or to which it may be entitled at any time or times.

SECTION 4. Representations and Warranties and Agreements. Borrower represents and warrants to, and covenants and agrees with, Agent and each Lender that:

(a) No Uniform Commercial Code financing statement (other than any which may have been filed on behalf of Agent or in connection with a Permitted Lien or which has been, or in connection with execution and delivery hereof is being, terminated) covering any of the Collateral is on file in any public office.

(b) Borrower has and will have a valid leasehold interest in all Collateral it leases (provided that Borrower may, subject to the Mortgages, terminate any lease pursuant to the terms thereof if the lessor has failed to perform thereunder), and, except as otherwise noted in Schedule 9.14 of the Secured Credit Agreement, good and marketable title to all its other Collateral, of any nature whatsoever (which, with respect to licenses, means that Borrower is the lawful owner of its rights under such licenses, except as provided in Section 9.14 of the Secured Credit Agreement), free of all Security Interests whatsoever,

other than the Security Interest created hereby and the Permitted Liens, with full power and authority to execute this Agreement, to perform Borrower's obligations hereunder, and to subject the Collateral to the assignment and Security Interest created hereby.

(c) All of Borrower's books and records are now located at one or more of the premises shown on Schedule V hereto, and all of Borrower's Equipment and other Goods are located either at one or more of the premises shown on Schedule V hereto or at one or more of the premises shown on Schedule VI hereto.

(d) To the extent that any of the premises shown on Schedule V hereto are owned by and/or subject to a Security Interest in favor of any Person other than Borrower, provide Agent with a Waiver Agreement executed by such Person or such other documents that are satisfactory to the Agent.

(e) All information with respect to the Collateral set forth in any schedule, certificate, or other writing at any time heretofore or hereafter furnished by or on behalf of Borrower to Agent or any Lender, and all other information heretofore or hereafter furnished by or on behalf of Borrower to Agent or any Lender, is and will be true, correct and complete in all material respects as of the date furnished and does not and will not omit any material fact necessary to make the statements not misleading.

(f) Borrower will at all times maintain its chief executive office as identified in Schedule V hereto in the contiguous continental United States, and Borrower shall take such action from time to time as is required so that a creditor of Borrower would reasonably expect the chief executive office identified on Schedule V to be its chief executive office for purposes of Article 9 of the Uniform Commercial Code.

(g) With respect to any Intellectual Property Collateral, the loss, impairment or infringement of which could reasonably have a materially adverse effect on the financial condition, operation, assets, business, properties or prospects of Borrower:

(i) Such Intellectual Property Collateral is subsisting and has not been adjudged invalid or unenforceable, in whole or in part.

(ii) Such Intellectual Property Collateral is valid and enforceable.

(iii) Borrower has made all necessary filings and recordations to protect its interest in such Intellectual

Property Collateral, including, without limitation, recordations of all of its interest in the Patent Collateral and Trademark Collateral in the United States Patent and Trademark Office and in corresponding offices throughout the world and its claims to the Copyright Collateral in the United States Copyright Office and in corresponding offices throughout the world.

(iv) Borrower is the exclusive owner of the entire and unencumbered right, title and interest in and to such Intellectual Property Collateral and no claim has been made that the use of such Intellectual Property Collateral does or may violate the asserted rights of any third party.

(v) Borrower has performed and will continue to perform all acts and has paid and will continue to pay all required fees and taxes to maintain each and every item of Intellectual Property Collateral in full force and effect throughout the world, as applicable.

(vi) Borrower owns directly or is entitled to use by license or otherwise, all patents, Trademarks, Trade Secrets, copyrights, mask works, licenses, technology, know-how, processes and rights with respect to any of the foregoing used in, necessary for or of importance to the conduct of Borrower's business.

(vii) No litigation is pending or, to the best knowledge of Borrower, threatened which contains allegations respecting the validity, enforceability, infringement or ownership of any of the Intellectual Property Collateral.

(h) None of the Collateral (other than the railcars and the vehicles) has, within the four (4) months preceding the date of this Agreement, been located at any place other than Borrower's own premises at the address shown on the signature page hereto or at one or more of the premises listed on Schedules V and VI hereto.

(i) Schedule 9.15 to the Secured Credit Agreement lists all trade names by which Borrower is now known or was previously known.

(j) Schedule VII hereto sets forth an accurate and complete list of the railcars and vehicles owned or leased by Borrower.

SECTION 5. Release.

If and to the extent that a perfected Security Interest hereunder in any Collateral shall cease to be perfected for any

reason whatsoever (including, without limitation, use or disposition by Borrower of any proceeds of Collateral), then such Collateral (referred to in this paragraph as "released Collateral") shall be deemed thereby released from the Security Interest hereunder in exchange, as of the time of such release, for any other Collateral of equivalent value in which a perfected Security Interest is being obtained contemporaneously or has been most recently obtained hereunder, but only to the extent such other Collateral does not represent either (x) Collateral in exchange for which any previously released Collateral shall have been deemed released, or (y) Collateral of equivalent value to any loan or advance (otherwise than by renewal or extension) from any Lender to Borrower in which Collateral a perfected Security Interest hereunder shall have been obtained contemporaneously with or most recently prior to such loan or advance.

SECTION 6. Agreements of Borrower. Borrower will:

(a) Keep all its Goods, unless Agent shall otherwise consent in writing, at one or more of its own premises (as shown on Schedule V hereto) or at one or more of the premises listed on Schedule VI hereto; provided, however, that (i) so long as no Event of Default shall have occurred and be continuing, and subject to Section 6(j), Borrower may designate additional premises for inclusion on Schedule V hereto upon 30 days' advance written notice to Agent (which notice shall contain evidence that Borrower has taken all action required or reasonably desirable to maintain the Security Interest in favor of Agent in the Collateral, free and clear of any other Security Interest whatsoever except for Permitted Liens) and (ii) in the case of the premises listed on Schedule V hereto from time to time, Borrower's Goods shall be kept separate from the Goods of those Persons (other than Borrower) using such premises and shall be clearly and conspicuously designated as being Borrower's sole property (for example, by posting signs or by affixing Borrower's name on its Goods).

(b) Immediately notify Agent of (i) the occurrence of any event causing loss or depreciation in market value of any of Borrower's Goods in excess, in the aggregate during any of Borrower's fiscal years, of \$250,000, and (ii) the amount of such loss or depreciation.

(c) Furnish Agent such information concerning Borrower, its Subsidiaries and the Collateral as Agent may from time to time reasonably request.

(d) Defend Borrower's title to the Collateral against all Persons and against all claims and demands whatsoever.

(e) Do all acts reasonably necessary to maintain, preserve and protect all Collateral, keep all Collateral in good condition and repair, ordinary wear and tear excepted, and prevent any waste or unusual or unreasonable depreciation thereof.

(f) Permit Agent and designees of Agent, from time to time, to inspect at reasonable times the Collateral, and to, at reasonable times, inspect, audit and make copies of and extracts from all records and all other papers in the possession of Borrower and will, upon request of Agent, deliver to Agent all of such records and papers which pertain to the Collateral.

(g) Upon request of Agent, stamp on its records concerning the Collateral (and/or enter into its computer records concerning the Collateral), a notation, in form satisfactory to Agent, of the Security Interest created hereby.

(h) Not sell, lease, assign, license, sublicense, abandon or otherwise transfer, or create or permit to exist any Security Interest (other than any Permitted Lien) on any Collateral to or in favor of anyone other than Agent; provided, however, that Borrower from time to time in the ordinary course of its business may sell or otherwise dispose of obsolete Equipment.

(i) At all times keep all Equipment owned or leased by Borrower insured against loss, damage, theft and other risks in the manner required by Section 10A.4 of the Secured Credit Agreement and, if Agent so requests, deposit with Agent originals or certified copies of the relevant policies and certificates of insurance.

(j) Furnish to Agent, in accordance with Section 8.3 of the Secured Credit Agreement, notice in writing as soon as possible and in any event not later than 30 days prior to the occurrence from time to time of (i) any change in the location of Borrower's chief executive office and (ii) any change in the name of Borrower or the name under or by which it conducts its business, each of such notices also to contain evidence that Borrower has taken all action required or reasonably desirable to maintain and preserve the Security Interest in favor of Agent in the Collateral, free and clear of any other Security Interest whatsoever except for Permitted Liens.

(k) Reimburse Agent for all expenses, including attorneys' fees and legal expenses and expenses of any repairs to realty or other property to which any Collateral may be affixed or be a part, incurred by Agent in seeking to collect or enforce any rights under or with respect to the Collateral, in seeking to collect the Notes and all other Liabilities, and in enforcing its rights hereunder, together with interest thereon from the date

incurred until reimbursed by Borrower at a rate per annum equal to the default rate specified in Section 11(b) hereof.

(l) Not sell, assign or license to any third party any of its right, title or interest in any of the Intellectual Property Collateral and General Intangibles other than in Borrower's ordinary course of business.

(m) Borrower shall not, unless Borrower shall either (i) reasonably and in good faith determine (and notice of such determination shall have been delivered to Agent) that any of the Patent Collateral is of negligible economic value to Borrower, or (ii) have a valid business purpose to do otherwise, do any act, or omit to do any act, whereby any of the Patent Collateral may lapse or become abandoned or dedicated to the public or unenforceable.

(n) Borrower shall not, and shall not permit any of its licensees to, unless Borrower shall either (i) reasonably and in good faith determine (and notice of such determination shall have been delivered to Agent) that any of the Trademark Collateral is of negligible economic value to Borrower, or (ii) have a valid business purpose to do otherwise:

(A) fail to continue to use any of the Trademark Collateral in order to maintain all of the Trademark Collateral in full force free from any claim of abandonment for non-use,

(B) fail to maintain as in the past the quality of products and services offered under all of the Trademark Collateral,

(C) fail to employ all of the Trademark Collateral registered with any Federal or State or foreign authority with an appropriate notice of such registration,

(D) adopt or use any other Trademark which is confusingly similar or a colorable imitation of any of the Trademark Collateral,

(E) use any of the Trademark Collateral registered with any Federal or State or foreign authority except for the uses for which registration or application for registration of all of the Trademark Collateral has been made, and

(F) do or permit any act or knowingly omit to do any act whereby any of the Trademark Collateral may lapse or become invalid or unenforceable.

(o) Borrower shall not, unless Borrower shall either (i) reasonably and in good faith determine (and notice of such determination shall have been delivered to Agent) that any of the Copyright Collateral or any of the Trade Secrets Collateral is of negligible economic value to Borrower, or (ii) have a valid business purpose to do otherwise, do or permit any act or knowingly omit to do any act whereby any of the Copyright Collateral or any of the Trade Secrets Collateral may lapse or become invalid or unenforceable or placed in the public domain except upon expiration of the end of an unrenovable term of a registration thereof.

(p) Borrower shall notify Agent immediately if it knows, or has reason to know, that any application or registration relating to any material item of the Intellectual Property Collateral may become abandoned or dedicated to the public or placed in the public domain or invalid or unenforceable, or of any adverse determination or development (including the institution of, or any such determination or development in, any proceeding in the United States Patent and Trademark Office, the United States Copyright Office or any foreign counterpart thereof or any court) regarding Borrower's ownership of any of the Intellectual Property Collateral, its right to register the same or to keep and maintain and enforce the same.

(q) In no event shall Borrower or any of its agents, employees, designees or licensees file an application for the registration of any Intellectual Property Collateral with the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency in any other country or any political subdivision thereof, unless it promptly informs Agent, and upon request of Agent, executes and delivers any and all agreements, instruments, documents and papers as Agent may reasonably request to evidence Agent's security interest in such Intellectual Property Collateral and the goodwill and general intangibles of Borrower relating thereto or represented thereby.

(r) Borrower shall take all necessary steps, including in any proceeding before the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency in any other country or any political subdivision thereof, to maintain and pursue any application (and to obtain the relevant registration) filed with respect to, and to maintain any registration of, the Intellectual Property Collateral, including the filing of applications for renewal, affidavits of use, affidavits of incontestability and opposition, interference and cancellation proceedings and the payment of fees and taxes (except to the extent that dedication, abandonment or

invalidation is permitted under the foregoing clause (m), (n) or (o)).

(s) Borrower shall, contemporaneously herewith, execute and deliver to Agent an Agreement (Patent), an Agreement (Trademark) and an Agreement (Copyright) in the forms of Exhibits B, C and D hereto, respectively, and shall execute and deliver to Agent any other document required to acknowledge or register or perfect Agent's interest in any part of the Intellectual Property Collateral.

(t) At its sole expense, (i) without any request by Agent, immediately deliver or cause to be delivered to Agent, in due form for transfer (i.e., endorsed in blank or accompanied by duly executed undated blank stock or bond powers), all Securities, Chattel Paper, Instruments and Documents, if any, at any time representing all or any of the Collateral, (ii) upon request of Agent cause Agent's Security Interest hereunder and under the other Collateral Documents to be at all times duly noted on any certificate of title issuable with respect to any of the Collateral (provided, that no such notation shall be required unless the book value for all such items of Collateral is equal to or exceed \$100,000 in the aggregate) and forthwith deliver or cause to be delivered to Agent each such certificate of title, and (iii) execute and deliver, or cause to be executed and delivered, to Agent, in due form for filing or recording (and pay the cost of filing or recording the same in all public offices deemed necessary or advisable by Agent) such assignments (including, without limitation, assignments of life insurance), security agreements, mortgages, deeds of trust, pledge agreements, consents, waivers, financing statements, stock or bond powers, and other documents, and do such other acts and things, all as may from time to time be necessary or desirable to establish and maintain to the satisfaction of Agent a valid perfected lien on and Security Interest in all assets of Borrower now or hereafter existing or acquired, other than Accounts, Inventory and the proceeds thereof (free of all other liens, claims and rights of third parties whatsoever other than Permitted Liens) to secure payment and performance of the Liabilities.

(u) At Agent's request after the occurrence and during the continuance of an Event of Default, transfer all or any part of the Collateral (including, with respect to any Trademarks, the goodwill associated therewith) into the name of Agent or its nominee, with or without disclosing that such Collateral is subject to the Security Interest hereunder.

(v) At all times comply with the requirements of all applicable laws (including, without limitation, the provisions of

the Fair Labor Standards Act), rules, regulations and orders of every governmental authority, the non-compliance with which, as the Required Lenders determine in their sole discretion, could reasonably materially and adversely affect the value of the Collateral or the worth of the Collateral as collateral security.

SECTION 7. Renewals, Amendments and Other Security; Partial Releases.

(a) Agent may from time to time, whether before or after any of the Liabilities shall become due and payable, without notice to Borrower, take any or all of the following actions: (i) retain or obtain a Security Interest in any property to secure payment and performance of any of the Liabilities, (ii) retain or obtain the primary or secondary liability of any Person, in addition to Borrower, with respect to any of the Liabilities, (iii) create, extend or renew for any period (whether or not longer than the original period) or alter or exchange any of the Liabilities or release or compromise any obligation of any nature of any Person with respect thereto, (iv) release or fail to perfect its Security Interest in, or surrender, release or permit any substitution or exchange for, all or any part of any property securing any of the Liabilities, or create, extend or renew for any period (whether or not longer than the original period) or release, compromise, alter or exchange any obligations of any nature of any Person with respect to any such property, and (v) after the occurrence of an Event of Default, resort to the Collateral pursuant to the terms of this Agreement for payment of any of the Liabilities whether or not it (1) shall have resorted to any other property securing payment and performance of the Liabilities or (2) shall have proceeded against any Person primarily or secondarily liable on any of the Liabilities (all of the actions referred to in preceding clauses (1) and (2) being hereby expressly waived by Borrower).

(b) No release from the Security Interest created by this Agreement of any part of the Collateral by Agent shall in any way alter, vary or diminish the force or effect of or Security Interest created by this Agreement against the balance or remainder of the Collateral.

SECTION 8. Grant of License to Use Intangibles. In addition to Section 6(u) and solely for the purpose of enabling Agent to exercise rights and remedies hereunder as set forth in Section 10 at such time as Agent, without regard to this Section 8, shall be lawfully entitled to exercise such rights and remedies, Borrower hereby grants to Agent an irrevocable, nonexclusive license (exercisable without payment of royalty or other compensation to Borrower) to use, assign, license or sublicense any of Borrower's General Intangibles, now owned or

hereafter acquired by Borrower, and wherever the same may be located, including in such license reasonable access as to all media in which any of the licensed items may be recorded or stored and to all computer programs used for the compilation or printout thereof. No agreements hereafter acquired or agreed to or entered into by Borrower shall prohibit, restrict or impair the rights granted hereunder.

SECTION 9. Information. Agent, any Lender and any of the officers, employees, agents or auditors of Agent or any Lender shall have the right at reasonable intervals after the date hereof to make reasonable inquiries by mail, telephone, telegraph or otherwise to any Person with respect to validity and amount or any other matter concerning any of the Collateral.

SECTION 10. Event of Default.

(a) (i) Whenever an Event of Default shall be existing, Agent may exercise from time to time any rights and remedies available to it hereunder, under the Secured Credit Agreement and under the Uniform Commercial Code as in effect from time to time in Illinois or otherwise available to it under applicable law. Borrower hereby expressly waives, to the fullest extent permitted by applicable law, any and all notices, advertisements, hearings, or process of law in connection with the exercise by Agent of any of its rights and remedies after an Event of Default occurs.

(ii) Borrower agrees, upon the occurrence of an Event of Default and upon the request of Agent, to assemble, at Borrower's expense, all Collateral at a convenient place acceptable to Agent.

(iii) To the fullest extent permitted by applicable law, Borrower hereby waives the right to object to the manner or sufficiency of advertising, refurbishing of the Collateral, or solicitation of bids in connection with any sales or other disposition of the Collateral. Any sale by Agent may be made at any broker's board or public or private sale, with or without notice or advertisement, for cash or credit, and for present or future delivery. At any such public or private sale or other disposition of Collateral, Agent may, to the extent permissible under applicable law, purchase the whole or any part of any Collateral sold, or may sell or dispose of the Collateral to any other Person, free from any and all claims of Borrower or of any other Person claiming by, through, or under Borrower. Borrower hereby expressly waives and releases, to the fullest extent permitted by applicable law, any right of redemption on the part of Borrower. If any notification of intended disposition of any of the Collateral is required by law, such notification, if mailed, shall be deemed reasonably and properly given if mailed

at least five days before such disposition, postage prepaid, addressed to Borrower either at the address shown below, or at any other address of Borrower appearing on the records of Agent. Any proceeds of any Collateral, or of the disposition by Agent of any of the Collateral (including, without limitation, Benefits to the extent provided in Section 16 hereof), shall be applied as set forth in Section 17 hereof.

(b) Without limiting any other provision of this Agreement: whenever an Event of Default shall be existing, Agent, with or without process of law, may enter upon any premises where the Collateral or any part thereof may be, and take possession of all or any part thereof; and Agent may, without being responsible for loss or damage, hold, store, keep idle, lease, operate or otherwise use or permit the use of the Collateral or any part thereof for such time and upon such terms as Agent may deem to be reasonable, or may render all or part of the Collateral unusable, and may demand, collect and retain all earnings and all other sums due and to become due in respect of the Collateral from any Person whomsoever, accounting only for net earnings, if any, arising from use or from the sale thereof after charging against all receipts from use or from the sale thereof all reasonable costs and expenses of, and damages or losses by reason of, such use or sale.

(c) Borrower hereby agrees to pay any and all reasonable expenses incurred by Agent in retaking, holding, preparing for sale, selling and the like with regard to the Collateral, including, without limitation, reasonable attorneys' fees incurred by Agent in connection therewith.

(d) Borrower agrees that in any sale of any of the Collateral, Agent is authorized to comply with any limitation or restriction in connection with such sale as counsel may advise Agent is necessary in order to avoid any violation of applicable law (including, without limitation, compliance with such procedures as may restrict the number of prospective bidders or purchasers, require that such prospective bidders and purchasers have certain qualifications, and restrict such prospective bidders and purchasers to Persons who will represent and agree that they are purchasing for their own account or investment and not with a view to the distribution or resale of such Collateral), or in order to obtain any required approval of the sale or of the purchaser by any governmental or regulatory authority or official, and Borrower further agrees that such compliance shall not result in such sale being considered or deemed not to have been made in a commercially reasonable manner, nor shall Agent be liable in or accountable to Borrower for any discount allowed by reason of the fact that such Collateral was sold in compliance with any such limitation or restriction.

(e) If sufficient sums are not realized upon any disposition of the Collateral to pay all Liabilities and any expenses of such disposition, including, without limitation, attorneys' fees, Borrower hereby promises to pay immediately any resulting deficiency.

(f) No right or remedy herein conferred is intended to be exclusive of any other right or remedy, but every such right or remedy shall be cumulative and shall be in addition to every other right or remedy herein conferred, or conferred upon Agent or any Lender by any other agreement or instrument or security, or now or hereafter existing at law or in equity or by statute.

SECTION 11. Authority of Agent. (a) Agent shall have, and be entitled to exercise, all such powers hereunder as are specifically delegated to Agent by the terms hereof, together with such powers as are incidental thereto. Agent may execute any of its duties hereunder by or through agents or employees and shall be entitled to retain counsel and to act in reliance upon the advice of such counsel concerning all matters pertaining to its duties hereunder. Neither Agent nor any director, officer or employee of Agent shall be liable for any action taken or omitted to be taken by it or them hereunder or in connection herewith, except for its or their own gross negligence or willful misconduct. Borrower agrees to reimburse Agent on demand, for all reasonable costs and expenses incurred by Agent in connection with the administration and enforcement of this Agreement (including costs and expenses incurred by any agent employed by Agent, but, in the case of administration, only including out-of-pocket costs and expenses) and agrees to indemnify (which indemnification shall survive any termination of this Agreement) and hold harmless Agent and each Lender (and any such agent) from and against any and all liability incurred by Agent or any Lender (or such agent) hereunder or in connection herewith, unless such liability shall be due to gross negligence or willful misconduct on the part of Agent, such Lender or such agent, as the case may be.

(b) Agent may from time to time, without notice to Borrower, at its option, perform any obligation to be performed by Borrower hereunder, under the Secured Credit Agreement or the Loan Documents which shall not have been performed and take any other action which Agent deems necessary for the maintenance or preservation of any of the Collateral or its security interest in the Collateral. All moneys advanced by Agent or any Lender in connection with the foregoing shall bear interest at the Overdue Rate (or such lower maximum rate as shall be legal under applicable law), and shall be repaid together with such interest by Borrower to Agent and Lenders, as appropriate, upon demand, and shall be secured hereby prior to any other indebtedness or

obligation secured hereby, but the making of any such advance by Agent or any Lender shall not relieve Borrower of any default hereunder or thereunder.

SECTION 12. Termination. This Agreement shall terminate when the Commitments shall be terminated and all the Liabilities have been fully paid and performed, at which time Agent shall reassign and redeliver (or cause to be reassigned and redelivered) to Borrower, or to such person as Borrower shall designate, against receipt, such of the Collateral (if any) as shall not have been sold or otherwise applied by Agent pursuant to the terms hereof and shall still be held by it hereunder, together with appropriate instruments of reassignment and release. Any such reassignment shall be without recourse upon, or representation or warranty by, Agent or any Lender and at the sole cost and expense of Borrower.

SECTION 13. Protection of Intellectual Property Collateral.
(a) Borrower shall have the duty to protect, preserve and maintain all rights in each of the items of Intellectual Property Collateral, including, without limitation, the duty to prosecute and/or defend against any and all suits concerning validity, infringement, enforceability, ownership or dilution or other aspects of the Intellectual Property Collateral, as well as the duty to register material Copyrights with the United States Copyright Office and to make publications of all copyrighted materials with an appropriate copyright notice. Any expenses incurred in protecting, preserving and maintaining the Intellectual Property Collateral shall be borne by Borrower. To the maximum extent permitted by law, Agent shall have the right, without taking title to any of the Intellectual Property Collateral, to bring suit, in Agent's name or in Borrower's name or in both names, as determined by Agent, to enforce any or all of the Intellectual Property Collateral or its Security Interest therein, in which event Borrower shall, at the request of Agent, do any and all lawful acts and execute any and all proper documents required by Agent in aid of such enforcement. All costs, expenses and other moneys advanced by Agent or any Lender in connection with the foregoing shall be treated as an advance under Section 11(b) hereof, but the making of any such advance by Agent or any Lender shall not relieve Borrower of any default hereunder. All monetary recoveries from any such suits instituted by Agent shall be retained by and owned solely by Agent and Lenders. In addition, Borrower shall indemnify (which indemnification shall survive any termination of this Agreement) and hold harmless Agent and each Lender from any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements (including attorneys' fees and legal expenses) of any kind whatsoever which may be imposed on, incurred by or asserted against Agent or any

Lender in connection with or in any way arising out of such suits, proceedings or other actions. Notwithstanding the foregoing, neither Agent nor any Lender shall have any obligations or liabilities regarding any or all of the Intellectual Property Collateral by reason of, or arising out of, this Agreement.

(b) If any Event of Default shall have occurred and be continuing, upon the written demand of Agent, Borrower shall execute and deliver to Agent an assignment or assignments of the Intellectual Property Collateral, and such other documents as are necessary or appropriate to carry out the intent and purposes of this Agreement along with, in the case of any Trademark, goodwill and assets relating to the products sold under such Trademark. Borrower agrees that such an assignment shall be applied to reduce the Liabilities then due only to the extent that Agent or any Lender receives cash proceeds in respect of the sale of, or other realization upon, the Intellectual Property Collateral or licenses; such cash proceeds to be applied to the payment of expenses incurred in connection with the Intellectual Property Collateral or licenses, including attorneys' fees and legal expenses, and any balance of such proceeds shall be applied by Agent as provided in Section 17 hereof. Without limiting any other rights and remedies of Agent, within five (5) Business Days of written notice from Agent, Borrower shall make available to Agent, to the extent within Borrower's power and authority, such personnel in Borrower's employ on the date of the Event of Default as Agent may reasonably designate, by name, title or job responsibility, to permit Borrower to continue, directly or indirectly, to produce, advertise and sell the products sold by Borrower under any Trademark or licenses, such personnel to be available to perform their prior functions on behalf of Agent and Lenders and to be compensated by Agent and Lenders on a per diem, pro-rata basis consistent with the salary and benefit structure applicable to each as of the date of such Event of Default or Unmatured Insolvency Event.

SECTION 14. SUBMISSION TO JURISDICTION. AGENT MAY ENFORCE ANY CLAIM ARISING OUT OF THIS AGREEMENT, ANY COLLATERAL OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION HERewith, OR ARISING FROM OR RELATED TO ANY CREDIT RELATIONSHIP EXISTING IN CONNECTION WITH THIS AGREEMENT IN ANY STATE OR FEDERAL COURT HAVING SUBJECT MATTER JURISDICTION AND LOCATED IN CHICAGO, ILLINOIS. FOR THE PURPOSE OF ANY ACTION OR PROCEEDING INSTITUTED WITH RESPECT TO ANY SUCH CLAIM, BORROWER HEREBY IRREVOCABLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND ALSO HAS IRREVOCABLY DESIGNATED THE PERSON WHOSE NAME AND ADDRESS ARE SET FORTH IN THE SECURED CREDIT AGREEMENT TO RECEIVE FOR AND ON BEHALF OF BORROWER SERVICE OF PROCESS IN ILLINOIS. BORROWER FURTHER IRREVOCABLY CONSENTS TO

THE SERVICE OF PROCESS OUT OF SAID COURTS BY MAILING A COPY THEREOF, BY REGISTERED MAIL, POSTAGE PREPAID, TO BORROWER AND AGREES THAT SUCH SERVICE, TO THE FULLEST EXTENT PERMITTED BY LAW, (i) SHALL BE DEEMED IN EVERY RESPECT EFFECTIVE SERVICE OF PROCESS UPON IT IN ANY SUCH SUIT, ACTION OR PROCEEDING AND (ii) SHALL BE TAKEN AND HELD TO BE VALID PERSONAL SERVICE UPON AND PERSONAL DELIVERY TO IT. NOTHING HEREIN CONTAINED SHALL AFFECT THE RIGHT OF AGENT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR PRECLUDE AGENT FROM BRINGING AN ACTION OR PROCEEDING IN RESPECT HEREOF IN ANY OTHER COUNTRY, STATE OR PLACE HAVING JURISDICTION OVER SUCH ACTION. BORROWER IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY HAVE OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN ANY SUCH COURT LOCATED IN CHICAGO, ILLINOIS AND ANY CLAIM THAT ANY SUCH SUIT, ACTION OR PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

SECTION 15. Miscellaneous Provisions.

(a) Agent and each Lender shall be deemed to have exercised reasonable care in the custody and preservation of any of the Collateral if they take such action for that purpose as Borrower requests in writing, but failure of Agent or any Lender to comply with any such request shall not of itself be deemed a failure to exercise reasonable care, and no failure of Agent or any Lender to preserve or protect any rights with respect to Collateral against prior or other parties, or to do any act with respect to the preservation of Collateral not so requested by Borrower, shall be deemed a failure to exercise reasonable care in the custody or preservation of such Collateral.

(b) Borrower hereby appoints Agent, with full power of substitution, as Borrower's attorney-in-fact for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instrument which Agent may deem necessary or advisable to accomplish the purposes hereof, which appointment is irrevocable and coupled with an interest. Without limiting the generality of the foregoing, Borrower agrees that Agent shall have the right and authority: (i) while any Event of Default shall exist, to assign, sell, license, sublicense or otherwise dispose of all right, title and interest of Borrower in and to the Intellectual Property Collateral, any other General Intangible or any thereof, including, without limitation, assignments, recordings, registrations and applications therefor in the United States Patent and Trademark Office, the United States Copyright Office or any similar office or agency of the United States, any State thereof or any other country or political subdivision thereof, and for the purpose of the recording, registering and filing of, or accomplishing any other

formality with respect to, the foregoing, to execute and deliver any and all agreements, documents, instruments of assignment or other papers necessary or advisable to effect such purpose; and (ii) to make claim for, and receive and give acquittances for payment on account of, loss under any insurance policy covering the Collateral, or any part thereof, and to receive, endorse and collect all checks, drafts and other orders for the payment of money representing the proceeds of such insurance.

(c) All notices or other communications hereunder shall be given in the manner specified under Section 14.3 of the Secured Credit Agreement, whether or not then in effect.

(d) No delay on the part of Agent in the exercise of any right or remedy shall operate as a waiver thereof, and no single or partial exercise by Agent of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy.

(e) No amendment to, modification or waiver of, or consent with respect to, any provision of this Agreement shall in any event be effective unless the same shall be in writing and signed and delivered by Agent and the Required Lenders; provided that no such amendment, modification, waiver or consent (i) which would release all or substantially all of the Collateral, or would allow other Indebtedness to be secured by the Collateral, except in accordance with Section 14.11 of the Secured Credit Agreement, modify any requirement hereunder that any particular action be taken by all or any specified Percentage of Lenders or modify Section 17 shall be effective unless consented to by all of the Lenders and (ii) which would affect the interests, rights or obligations of the Agent in its capacity as the Agent shall be effective unless consented to by the Agent and a Supermajority of Lenders. Any such amendment, modification, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

(f) THIS AGREEMENT HAS BEEN DELIVERED AT CHICAGO, ILLINOIS, AND SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF ILLINOIS WITHOUT REGARD TO ITS PRINCIPLES OF CONFLICTS OF LAW. WHENEVER POSSIBLE, EACH PROVISION OF THIS AGREEMENT SHALL BE INTERPRETED IN SUCH MANNER AS TO BE EFFECTIVE AND VALID UNDER APPLICABLE LAW, BUT IF ANY PROVISION OF THIS AGREEMENT SHALL BE PROHIBITED BY OR INVALID UNDER SUCH LAW, SUCH PROVISION SHALL BE INEFFECTIVE TO THE EXTENT OF SUCH PROHIBITION OR INVALIDITY, WITHOUT INVALIDATING THE REMAINDER OF SUCH PROVISION OR THE REMAINING PROVISIONS OF THIS AGREEMENT. ALL OBLIGATIONS OF BORROWER, ANY OF ITS SUBSIDIARIES OR ANY RELATED PERSON AND RIGHTS OF AGENT, ANY LENDER AND ANY OTHER HOLDER OF A NOTE OR LIABILITY EXPRESSED IN THIS AGREEMENT

SHALL BE IN ADDITION TO AND NOT IN LIMITATION OF THOSE PROVIDED IN APPLICABLE LAW OR IN ANY OTHER WRITTEN INSTRUMENT OR AGREEMENT RELATING TO ANY OF THE LIABILITIES.

(g) The rights and privileges of Agent and Lenders hereunder shall inure to the benefit of their respective successors and assigns. This Agreement shall be binding upon Borrower and its successors and assigns.

(h) At the option of Agent, this Agreement, or a carbon, photographic or other reproduction of this Agreement or of any Uniform Commercial Code financing statement covering the Collateral or any portion thereof, shall be sufficient as a Uniform Commercial Code financing statement and may be filed as such.

(i) The section headings in this Agreement are inserted for convenience of reference and shall not be considered a part of this Agreement or used in its interpretation.

(j) This Agreement may be executed in any number of counterparts and by the different parties on separate counterparts and each such counterpart shall for all purposes be deemed an original, but all such counterparts shall together constitute but one and the same Agreement. Borrower hereby acknowledges receipt of a true, correct and complete counterpart of this Agreement.

(k) EACH PARTY HERETO HEREBY EXPRESSLY WAIVES ANY RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO ENFORCE OR DEFEND ANY RIGHTS UNDER OR RELATED TO THIS AGREEMENT, ANY COLLATERAL OR ANY AMENDMENT, INSTRUMENT, DOCUMENT OR AGREEMENT DELIVERED OR WHICH MAY IN THE FUTURE BE DELIVERED IN CONNECTION WITH THE FOREGOING OR ARISING FROM ANY CREDIT RELATIONSHIP EXISTING IN CONNECTION WITH THIS AGREEMENT, AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY.

(l) Borrower hereby expressly waives to the fullest extent permitted by law: (i) notice of the acceptance by Agent of this Agreement, (ii) notice of the existence or creation or non-payment of all or any of the Liabilities, (iii) presentment, demand, notice of dishonor, protest, and all other notices whatsoever, and (iv) all diligence in collection or protection of or realization upon the Liabilities or any thereof, any obligation hereunder, or any security for or guaranty of any of the foregoing.

(m) Subject to Section 14.8 of the Secured Credit Agreement, any Lender may, from time to time, without notice to

Borrower, assign or transfer any or all of the Liabilities owned by such Lender or any interest therein; and, notwithstanding any such assignment or transfer or any subsequent assignment or transfer thereof, such Liabilities shall be and remain Liabilities for the purposes of this Agreement, and each and every immediate and successive assignee or transferee of any of the Liabilities or of any interest therein shall, to the extent of the interest of such assignee or transferee in the Liabilities, be entitled to the benefits of this Agreement to the same extent as if such assignee or transferee were a Lender.

(n) Borrower agrees that, if at any time all or any part of any payment theretofore applied by Agent or any Lender to any of the Liabilities is or must be rescinded or returned by Agent or any Lender for any reason whatsoever (including, without limitation, the insolvency, bankruptcy or reorganization of Borrower or any of its Affiliates), such Liabilities shall, for the purposes of this Agreement, to the extent that such payment is or must be rescinded or returned, be deemed to have continued in existence, notwithstanding such application by Agent or any Lender, and the Security Interest granted hereunder shall continue to be effective or be reinstated, as the case may be, as to such Liabilities, all as though such application by Agent or any Lender had not been made.

(o) Borrower hereby acknowledges that there are no conditions to the effectiveness of this Agreement.

(p) If any item of Collateral hereunder also constitutes collateral granted to Agent under any other mortgage, agreement or instrument, in the event of any conflict between the provisions under this Agreement and those under such other mortgage, agreement or instrument relating to such Collateral, the provision or provisions selected by Agent shall control with respect to such Collateral.

(q) In case of conflict between any provision of this Agreement and any provision of the Secured Credit Agreement, the provisions of the Secured Credit Agreement shall control.

SECTION 16. Application of Insurance Proceeds. Any loss benefits ("Benefits") under any of the insurance policies maintained by Borrower pursuant to Section 6(i) hereof other than Benefits related to property leased under the Northwest Leases (except that such Benefits relate to Borrower's leasehold interest shall be governed by Section 16(a) through (c)) shall be applied as follows:

(a) If no Default has occurred and is continuing, then such Benefits, together with any interest thereon, shall be held by

Agent as additional Collateral hereunder, such Benefits may, at Borrower's discretion, be either:

(i) applied by Agent to the repayment of the Loans as set forth in the Second clause of Section 17 hereof, subject to all of the terms and conditions of the Secured Credit Agreement, including Section 5 of the Secured Credit Agreement, or

(ii) at any time, but subject to the following paragraph (b), used by Borrower to repair or replace the damaged or destroyed Collateral giving rise to such Benefits; provided that if the amount of such Benefits is less than \$500,000, Borrower shall not be required to comply with the following paragraph (b).

(b) Subject to paragraph (a)(ii) above, Agent shall have no obligation to release any Benefits to Borrower for Borrower's use in repairing or replacing damaged or destroyed Collateral unless all of the following conditions are satisfied:

(i) to the extent commercially available for the type of repair or replacement in question, Borrower shall have submitted to Agent plans and specifications for the repair or replacement of the damaged or destroyed Collateral reasonably satisfactory to the Required Lenders, which plans and specifications shall not be substantially modified, changed or revised without the Required Lenders' prior written consent.

(ii) to the extent commercially available for the type of repair or replacement in question, Borrower, if so requested by Agent, shall have submitted to Agent fixed price contracts with good and responsible contractors and materialmen covering all work and materials necessary to complete any proposed repair or replacement of the damaged or destroyed Collateral.

(iii) Such further reasonable conditions as Agent may impose upon the release of Benefits that are customary in the financing of repairs or purchases of the type proposed by Borrower, including, without limitation, any conditions described in Section 1.7 of each of the Mortgages, to the extent applicable.

(iv) The amount of such Benefits and the cost of such repairs or replacement shall not exceed \$10,000,000.

(c) If a Default occurs or is continuing while Agent is holding any Benefits pursuant to this Section 16, Agent may apply such Benefits as provided in Section 17.

Notwithstanding anything in this Agreement to the contrary, any and all Benefits related to Collateral leased by Borrower under a Northwest Lease shall be used by Borrower to repair, rebuild or replace such Collateral. Agent shall have no right to apply such Benefits to the Liabilities, but shall have the right to use such Benefits to repair, rebuild or replace such Collateral in accordance with the Northwest Leases. In the event that such Northwest Lease is terminated by the lessor, after compliance by lessor with the terms of any agreement such lessor has with Agent, Agent shall return such Benefits to lessor.

SECTION 17. Application of Proceeds. The proceeds of sale of Collateral sold or Benefits after the occurrence and during the continuation of an Event of Default shall be applied by Agent as follows:

First: to payment of all of the costs and expenses of Agent, including (i) the expenses of such sale, (ii) the out-of-pocket costs and expenses of Agent and the reasonable fees and out-of-pocket costs and expenses of counsel employed by Agent, (iii) the payment of all advances made by Agent or any Lender for the account of Borrower hereunder, and (iv) the payment of all costs and expenses incurred by Agent or any Lender in connection with the administration and enforcement of this Agreement, to the extent that such advances, costs and expenses shall not have been reimbursed to Agent or any Lender and then to all other obligations of Borrower hereunder;

Second: to the pro rata payment in full of the Loans;

Third: to the payment in full of all other Liabilities to each Lender pro rata in accordance with the ratio of the amount of Liabilities owed to such Lender to the total amount of outstanding Liabilities; and

Fourth: the balance, if any, of such proceeds shall be paid to Borrower, its successors and assigns, or as a court of competent jurisdiction may direct.

IN WITNESS WHEREOF, this Agreement has been duly executed as of the day and year first above written.

Address:

16 Pennsylvania Avenue
Oklahoma City, OK 73107

EL DORADO CHEMICAL COMPANY

By: James L. Wewers
Name Printed: James L. Wewers
Its: Vice President

Address:

2700 Sanders Road
Prospect Heights, IL 60070
Attention: Corporate Finance
Facsimile: (708) 564-6238
Telex: 254336 (Answerback:
HFCHQPHTS)
Telephone: (708) 564-5000

HOUSEHOLD COMMERCIAL FINANCIAL
SERVICES, INC., as Agent

By: Joseph W. Hoff
Name Printed: Joseph W. Hoff
Its: Executive Vice President

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Ann T. Trombino, a notary public in and for said County, in the State of aforesaid, DO HEREBY CERTIFY that James L. Wewer personally known to me to be a Vice President of EL DORADO CHEMICAL COMPANY, a Delaware corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as Vice President of said corporation, pursuant to authority, given by the Board of Directors of said corporation as such person's free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 18th day of May, 1990.


Notary Public

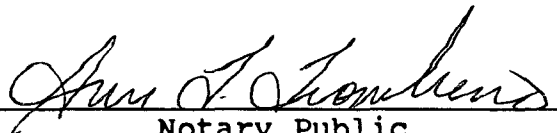
My Commission Expires:



STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

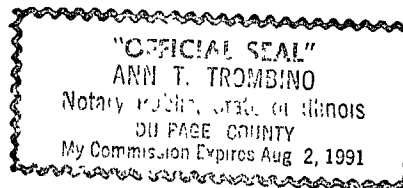
I, Ann T. Trombino, a notary public in and for said County, in the State of aforesaid, DO HEREBY CERTIFY that James L. Wewer personally known to me to be a Vice President of EL DORADO CHEMICAL COMPANY, a Delaware corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as Vice President of said corporation, pursuant to authority, given by the Board of Directors of said corporation as such person's free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 18th day of May, 1990.



Notary Public

My Commission Expires:



STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Ann T. Trombino, a notary public in and for said County, in the State of aforesaid, DO HEREBY CERTIFY that Joseph W. Hoff personally known to me to be an Executive Vice President of HOUSEHOLD COMMERCIAL FINANCIAL SERVICES, INC., a Delaware corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as Executive Vice President of said corporation, pursuant to authority, given by the Board of Directors of said corporation as such person's free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 18th day of May, 1990.


Notary Public

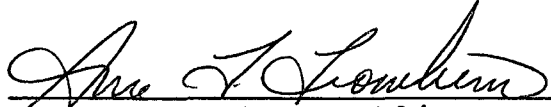
My Commission Expires:



STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, Ann T. Trombino, a notary public in and for said County, in the State of aforesaid, DO HEREBY CERTIFY that Joseph W. Hoff personally known to me to be an Executive Vice President of HOUSEHOLD COMMERCIAL FINANCIAL SERVICES, INC., a Delaware corporation, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument as Executive Vice President of said corporation, pursuant to authority, given by the Board of Directors of said corporation as such person's free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal this 18th day of May, 1990.


Notary Public

My Commission Expires:



05/16/90/JRR-0214

SCHEDULE I
to
Security Agreement

Item A. Trademarks

Registered Trademarks

<u>Country</u>	<u>Trademark</u>	<u>Registration No.</u>	<u>Registration Date</u>
U.S.A.	M. Pulz	795,432	9/7/85 Renewed
U.S.A.	M. Powr	795,433	9/7/85 Renewed
U.S.A.	M. Pak	795,434	9/7/85 Renewed
U.S.A.	M. Pel	795,435	9/7/85 Renewed
U.S.A.	E 2	833,891	8/22/87 Renewed
U.S.A.	El Dorado	1,427,064 and Design	2/3/87

Pending Trademark Applications

<u>Country</u>	<u>Trademark</u>	<u>Serial No.</u>	<u>Filing Date</u>
None			

Trademark Applications in Preparation

<u>Country</u>	<u>Trademark</u>	<u>Docket No.</u>	<u>Expected Filing Date</u>	<u>Products/ Services</u>
None				

Item B. Trademark Licenses

<u>Country or Territory</u>	<u>Trademark</u>	<u>Licensor</u>	<u>Licensee</u>	<u>Effective Date</u>	<u>Expiration Date</u>
Worldwide	Slurran	Thermex Energy	El Dorado	8/17/88	Note 1
Worldwide	T-MAX	Corporation	Chemical Co.	8/17/88	Note 1

Note 1 - The expiration is indefinite and depends upon continued use of Technical Information and other factors.

SCHEDULE II
to
Security Agreement

Item A. Patents

Issued Patents

<u>Country</u>	<u>Patent No.</u>	<u>Issue Date</u>	<u>Inventor(s)</u>	<u>Title</u>
None				

Pending Patent Applications

<u>Country</u>	<u>Serial No.</u>	<u>Filing Date</u>	<u>Inventor(s)</u>	<u>Title</u>
None				

Patent Applications in Preparation

<u>Country</u>	<u>Docket No.</u>	<u>Expected Filing Date</u>	<u>Inventor(s)</u>	<u>Title</u>
None				

Item B. Patent Licenses

<u>Country or Territory</u>	<u>Licensor</u>	<u>Licensee</u>	<u>Effective Date</u>	<u>Expiration Date</u>	<u>Subject Matter</u>
Note 1	Thermex Energy	El Dorado	8/17/88	7/22/97	T-600
Note 1	Corporation	Chemical Co.	8/17/88	1/12/05	T-MAX
Note 1			8/17/88	6/8/93	Slurran

Note 1 - The Continental U.S.A. less and except: (a) Eastern Ohio, Western Maryland, Pennsylvania and Western New York; (b) Western Virginia, West Virginia and Eastern Kentucky; (c) Minnesota and Michigan; (d) Alabama; and (e) An area within a three hundred (300) mile radius of a location in which Thermex shall in the future either establish its own plant for the manufacture of Slurry Explosives or license another operator to manufacture one or more products in Plants in said area with certain exceptions.

SCHEDULE III
to
Security Agreement

Item A. Copyrights/Mask Works

Registered Copyrights/Mask Works

<u>Country</u>	<u>Registration No.</u>	<u>Registration Date</u>	<u>Author(s)</u>	<u>Title</u>
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None

Copyright/Mask Work Pending Registration Applications

<u>Country</u>	<u>Serial No.</u>	<u>Filing Date</u>	<u>Author(s)</u>	<u>Title</u>
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None

Copyright/Mask Work Registration Applications in Preparation

<u>Country</u>	<u>Docket No.</u>	<u>Expected Filing Date</u>	<u>Author(s)</u>	<u>Title</u>
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None

Item B. Copyright/Mask Work Licenses

<u>Country or Territory</u>	<u>Licensor</u>	<u>Licensee</u>	<u>Effective Date</u>	<u>Expiration Date</u>	<u>Subject Matter</u>
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None

SCHEDULE IV
to
Security Agreement

Trade Secret or Know-How Licenses

<u>Country or Territory</u>	<u>Licensors</u>	<u>Licensee</u>	<u>Effective Date</u>	<u>Expiration Date</u>	<u>Subject Matter</u>
El Dorado, Arkansas Plant	Kaltenbach Thuring S.A.	El Dorado Chemical Co.	8/09/89	Unlimited	Improved Quality of Ammonium Nitrate

Note 1	Thermex Energy Corporation	El Dorado Chemical Co.	8/17/89	Note 2	Note 3
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Note 1 - The Continental U.S.A. less and except: (a) Eastern Ohio, Western Maryland, Pennsylvania and Western New York; (b) Western Virginia, West Virginia and Eastern Kentucky; (c) Minnesota and Michigan; (d) Alabama; and (e) An area within a three hundred (300) mile radius of a location in which Thermex shall in the future either establish its own plant for the manufacture of Slurry Explosives or license another operator to manufacture one or more products in Plants in said area with certain exceptions.

Note 2 - The expiration is indefinite and depends upon continued use of Technical Information and other factors.

Note 3 - Thermex's Technical Information which means technical information, data, specifications, plans, drawings, and know-how relating to the Field of Agreement owned and controlled by Thermex as of the date of this Amended EDC License Agreement which Thermex has the right to grant licenses without accounting to others. Field of Agreement means Slurry Explosives, Slurry Explosive Manufacturing Processes, Plants and Equipment and apparatus used in the processing or manufacture of Slurry Explosives or as disclosed and claimed in Thermex's Patent Rights.

BUSINESS LOCATIONS

BUSINESS LOCATIONS:

Plant -

Old Smackover Highway
El Dorado, AR 71730

Main Sales Office -

655 Craig Road, Suite #320
St. Louis, MO 63141

Sales Office - ANFO

2509 North Main
Hazard, KY 41701

Business Records Only -

7 South Pennsylvania
Oklahoma City, OK 73107

16 South Pennsylvania
Oklahoma City, OK 73107

Agricultural Sales Centers -

Highway 61 North
Portgageville, MO 63873

Route #1
Kennett, MO 63857

Highway 20
Bells, TN 38006

Route #2
Sharon, TN 38255

York Street
Newbern, TN 38059

South Bond Street
Whitewright, TX 75491

Route #1
Cooper, TX 75432

F-M Highway 1509
Brookston, TX 75421

(Continued)

Loop 315 West
Greenville, TX 75401

401 East Louisiana
McKinney, TX 75069

111 Genzendaner Street
Waxahachie, TX 75165

100 N. Seventh Street
Corsicana, TX 75151

Highway 81 South
Itasca, TX 76055

500 East Temple
Terrell, TX 75160

County Road 490
Behind Harris Nursery
Tyler, TX 75706

Highway 21 West
Bryan, TX 77806

204 Fulton
Pittsburg, TX 75686

Highway 19 and 753
Athens, TX 75751

U.S. Highway 79
Marquez, TX 7865

Blasting Centers -
Nelson Road
Central City, KY 42330

F-M Highway 2032
Pilgrim, KY 41250

Peabody Shops Road
Midland, IN 47445

Route 345 County Road
New Lexington, OH 43764

Rattlesnake Pass Rd.
Walcoh, WY 82335

End of Branch Street
Bonne Terre, MO 63628

(Continued)

Streamline Mine
Percy, IL 62272

Page 3 of 3

OY Tipple Mine
Jackson, KY 41339

430 12th Street
Dunbar, WV 25064

SCHEDULE VI
to
Security Agreement

THIRD PARTY LOCATIONS OF BORROWER'S GOODS

NONE

SCHEDULE VII

INDUSTRIAL ACID RAILCAR STATUS REPORT

12-Sep-89

RAILCAR NUMBER	DOT NUMBER	DATE BUILT	MANDATORY RETIREMENT DATE	CAPACITY, GALLONS	APPROX CAPACITY	TARE WT, POUNDS	LEASE EXP DATE	MONTHLY LEASE PYMT	MILEAGE CREDIT, \$/MI
EDCX 6200	111A60-ALW2	Jun-69	01-Jan-2010	20509	120 TONS	52900			
EDCX 6201	111A60-ALW2	Jul-69	01-Jan-2010	20519	120 TONS	52400			
EDCX 6202	111A60-ALW2	Sep-69	01-Jan-2010	20537	120 TONS	53200			
EDCX 6203	111A60-ALW2	Sep-69	01-Jan-2010	20526	120 TONS	52800			
EDCX 6204	111A60-ALW2	Aug-69	01-Jan-2010	20542	120 TONS	52600			
EDCX 6205	111A60-ALW2	Sep-69	01-Jan-2010	20534	120 TONS	52500			
EDCX 6207	111A60-ALW2	Sep-69	01-Jan-2010	20575	120 TONS	53100			
EDCX 6018	111A60-ALW2	Feb-79	01-Jan-2020	17119	95 TONS	47600			
EDCX 6019	111A60-ALW2	Feb-79	01-Jan-2020	17128	95 TONS	47000			
EDCX 6020	111A60-ALW2	Nov-79	01-Jan-2020	17108	95 TONS	46900			
GATX 27001	111A60-ALW2			APPROX 17200	95 TONS	45600	31-Mar-93	\$625/MONTH	\$0.516
GATX 27002	111A60-ALW2			APPROX 17200	95 TONS	46100	31-Mar-93	\$625/MONTH	\$0.516
GATX 27013	111A60-ALW2			APPROX 17200	95 TONS	45800	31-Mar-93	\$625/MONTH	\$0.526
EDCX 6000	ICC-103-A-ALW	Feb-61	01-Jan-2002	16027	90 TONS	52100			
EDCX 6001	ICC-103-A-ALW	Feb-61	01-Jan-2002	16056	90 TONS	53200			
EDCX 6002	ICC-103-A-ALW	Mar-61	01-Jan-2002	16062	90 TONS	52200			

INDUSTRIAL ACID RAILCAR STATUS REPORT

12-Sep-89

RAILCAR NUMBER	DOT NUMBER	DATE BUILT	MANDATORY RETIREMENT DATE	CAPACITY, GALLONS	APPROX CAPACITY	TARE WT, POUNDS	LEASE EXP DATE	MONTHLY LEASE PYMT	MILEAGE CREDIT, \$/MI
EDCX 6003	ICC-103-A-ALW	Feb-61	01-Jan-2002	16054	90 TONS	53200			
EDCX 6004	ICC-103-A-ALW	Mar-61	01-Jan-2002	16078	90 TONS	53200			
EDCX 6005	ICC-103-A-ALW	Mar-61	01-Jan-2002	16121	90 TONS	52300			
EDCX 6006	ICC-103-A-ALW	Aug-61	01-Jan-2002	16077	90 TONS	53300			
EDCX 6007	ICC-103-A-ALW	Apr-61	01-Jan-2002	16076	90 TONS	53400			
EDCX 6008	ICC-103-A-ALW	Apr-61	01-Jan-2002	16074	90 TONS	53500			
EDCX 6009	ICC-103-A-ALW	Mar-61	01-Jan-2002	16111	90 TONS	53000			
EDCX 6010	ICC-103-A-ALW	Jan-62	01-Jan-2003	15907	90 TONS	53600			
EDCX 6012	ICC-103-A-ALW	Aug-62	01-Jan-2003	15916	90 TONS	53700			
EDCX 6013	ICC-103-A-ALW	Feb-62	01-Jan-2003	15910	90 TONS	53000			
EDCX 6014	103-A-ALW	Jun-63	(X) 01-Jan-2014	16014	90 TONS	51700			
EDCX 6015	103-A-ALW	Jun-63	(X) 01-Jan-2014	16032	90 TONS	53100			
EDCX 6016	103-A-ALW	Feb-64	(X) 01-Jan-2015	16028	90 TONS	51800			
EDCX 6017	103-A-ALW	Feb-64	(X) 01-Jan-2015	16064	90 TONS	51400			
EDCX 2350	111AL-100ALW	Nov-51	(XX) 01-Jan-91	10295	60 TONS	45900			
EDCX 2352	111AL-100ALW	Nov-51	(XX) 01-Jan-91	10285	60 TONS	46200			

INDUSTRIAL ACID RAILCAR STATUS REPORT

12-Sep-89

RAILCAR NUMBER	DOT NUMBER	DATE BUILT	MANDATORY RETIREMENT DATE	CAPACITY, GALLONS	APPROX CAPACITY	TARE WT, POUNDS	LEASE EXP DATE	MONTHLY LEASE PYMT	MILEAGE CREDIT, \$/MI
EDCX 2353	111AL-100ALW	Nov-51	(XX) 01-Jan-91	10291	60 TONS	46200			
EDCX 2357	111AL-100ALW	Nov-51	(XX) 01-Jan-91	10256	60 TONS	45600			
EDCX 2358	111AL-100ALW	Nov-51	(XX) 01-Jan-91	10260	60 TONS	45800			
EDCX 2359	111AL-100ALW	Nov-51	(XX) 01-Jan-91	10258	60 TONS	45600			
TLCX 113011	111-A-100-W2			13603	100 TONS	51100	31-May-94	\$480/MONTH	
TLDX 113009	111-A-100-W2			13565	100 TONS	52100	31-May-94	\$480/MONTH	
GATX 50900	111-A-100-W2			APPROX 13000	100 TONS	59800	30-Apr-91	\$460/MONTH	\$0.728
GATX 50905	111-A-100-W2			APPROX 13000	100 TONS	59900	30-Apr-91	\$460/MONTH	\$0.728
GATX 50930	111-A-100-W2			APPROX 13000	100 TONS	60200	30-Apr-91	\$460/MONTH	\$0.728

(X)--These cars were rebuilt from April-August, 1988 to upgrade the running gear. This work gave us an additional 10 years of use on the cars.

(XX)--These cars must be retired in 1991 due to inadequate bearings. They are currently equipped with friction bearings. As of 1/1/91, all cars must be equipped with roller bearings.

	Dot No.	Date Built	Mandatory Retirement Date	Capacity Gallons	Approx. Capacity	Tare Wt. Pounds
6021*	111A6oAhW2	10/89	1/1/2029	17420	100 Tons	47100
6022*	"	10/89	"	17390	"	47200
6023*	"	10/89	"	17391	"	47600
6024*	"	10/89	"	17379	"	47200
6025*	"	10/89	"	17386	"	47000
6026*	"	10/89	"	17395	"	47200

*These railroad cars are financed by Ford Equipment Finance Co., with a purchase money security interest granted to Ford Equipment Finance Co.

Exhibit A
to
Security Agreement

Form of Waiver Agreement
(Landlord's or Mortgagee's Waiver)

RECORDING REQUESTED BY AND
WHEN RECORDED RETURN TO:

Household Commercial Financial
Services, Inc.
2700 Sanders Road
Prospect Heights, Illinois 60670

Attention: _____

DECLARATION AND AGREEMENT

In order to induce Household Commercial Financial Services, Inc. ("HCFS"), Connecticut Mutual Life Insurance Company and C.M. Life Insurance Company (together with HCFS and their respective successors and assigns, "Lenders") to extend credit to El Dorado Chemical Company (together with its successors and assigns, "Borrower"), secured pursuant to that certain Security Agreement, dated as of _____, 1990, by and between HCFS, as agent (together with its successors and assigns in such capacity, "Agent") for Lenders, and Borrower (as the same hereafter may be amended, modified, supplemented or restated from time to time, the "Security Agreement"), by certain property described more particularly on Annex A attached hereto (the "Property"), some or all of which Property may be located upon that certain real property located at _____, a legal description of which is set forth as Annex B attached hereto (the "Premises"), and, in consideration thereof, the undersigned declares and agrees as follows:

(i) The undersigned has an interest in the Premises as (as indicated):

_____ Owner.

_____ Mortgagee or Beneficiary under a Mortgage, Deed of Trust or a similar instrument, dated _____, 19__ and recorded in the _____ of _____ County, State of _____, as Document No. _____ or in Vol. _____, Page _____.

_____ Other (describe): _____.

(ii) The Property shall at all times be and remain personal property, and shall not be an accession or addition to or fixture on the Premises, regardless of the fact that it may be installed thereon or in any manner attached thereto, and the undersigned shall acquire no title to or interest in the Property by virtue of any installation or attachment.

(iii) The undersigned acknowledges that it does not own any of the Property. Any and all liens, claims, demands, rights or interests which the undersigned now has or hereafter acquires in, on or to the Property and all additions thereto and replacements and substitutions therefor, including, without limitation, the right to levy, distrain, take possession of or sell for unpaid rent, shall be and are hereby waived and released in favor of any now existing or hereafter arising lien or security interest (including, without limitation, pursuant to the Security Agreement) of Agent in the Property.

(iv) Agent, at no expense to the undersigned, may enter onto the Premises at any time or times and take possession of, sever or remove the Property or any part thereof and said Property may be sold, transferred or otherwise disposed of free and discharged of all liens, claims, demands, rights or interests of the undersigned.

(v) The undersigned agrees not to take any action to terminate Borrower's right to occupy the Premises or to have the Property located on the Premises removed therefrom without thirty (30) days prior written notice to Agent at its address at 2700 Sanders Road, Prospect Heights, Illinois 60070, Attention: _____, or at such other address as Agent may notify the undersigned from time to time. Prior to the undersigned taking any of the actions described in the preceding sentence, Agent shall have the right (but not the obligation) to cure or cause to be cured any default by Borrower giving rise to such action within the following time periods from and after receipt by Agent of written notice of such contemplated action from the undersigned: 10 days more (with respect to monetary defaults) and 25 days more (with respect to non-monetary defaults) than the period of time granted to Borrower to cure such defaults; provided, however, that if the nature of any non-monetary default is such that the same cannot be cured by Agent within said 25-day period, Agent shall be given such additional period of time as may be necessary to cure the default provided that Agent commences the cure within said 25-day period and proceeds diligently thereafter to complete such cure.

(vi) All terms and conditions of this Declaration and Agreement shall be binding upon the heirs, executors,

administrators, successors and assigns or encumbrancers of the undersigned and shall inure to the benefit of Agent and its successors and assigns. The provisions hereof may not be modified except by written agreement executed by Agent and the undersigned.

(vii) This Declaration and Agreement shall be governed by and construed in accordance with the internal laws of the State in which the Premises are located, without regard to its principles of conflict of laws.

(viii) This Declaration and Agreement may be recorded or filed in the jurisdiction where the Premises are located.

(ix) The undersigned agrees and acknowledges that Agent and Lenders may and shall rely on the foregoing and that the undersigned will be legally bound hereby. The undersigned waives any requirement that this Declaration and Agreement be accepted by Agent, Lenders or Borrower or that the undersigned receive notice of such acceptance.

Executed and delivered this ____ day of _____, 1990.

[NAME OF LANDLORD OR MORTGAGEE]

By: _____
Name Printed: _____
Its: _____

ANNEX A
TO DECLARATION AND AGREEMENT

PROPERTY

All property of Borrower wherever located, whether now or hereafter existing, owned, licensed, leased, consigned, arising or acquired (the "Collateral"), including, without limitation, all of Borrower's:

- (i) Goods (including, without limitation, all of Borrower's Equipment, including railcars and vehicles, and Fixtures, but excluding Inventory) (as such Goods, Equipment, Fixtures and Inventory are defined below); and
- (ii) Computer Hardware and Software Collateral;

together with: (x) all books, ledgers, books of account, records, writings, data bases, information and other property relating to, used or useful in connection with, evidencing, embodying, incorporating or referring to, any of the foregoing; and (y) all proceeds, products, rents, issues, profits and returns of and from any of the foregoing.

For purposes of this Annex A, terms shall have the following meanings (which definitions shall be applicable to the singular and plural forms of such terms):

Computer Hardware and Software Collateral shall mean (i) all computer and other electronic data processing hardware, integrated computer systems, central processing units, memory units, display terminals, printers, features, computer elements, card readers, tape drives, hard and soft disk drives, cables, electrical supply hardware, generators, power equalizers, accessories and all peripheral devices and other related computer hardware, whether now owned, licensed or leased or hereafter acquired by Borrower; (ii) all software programs (including source code and object code and all related applications and data files), whether now owned, licensed or leased or hereafter acquired by Borrower, designed for use on the computers and electronic data processing hardware described in clause (i) above; (iii) all firmware associated therewith, whether now owned, licensed or leased or

hereafter acquired by Borrower; and (iv) all documentation (including flow charts, logic diagrams, manuals, guides and specifications) for such hardware, software and firmware described in the preceding clauses (i), (ii) and (iii), whether now owned, licensed or leased or hereafter acquired by Borrower; and (v) all rights with respect to all of the foregoing, including, without limitation, any and all copyrights, licenses, options, warranties, service contracts, program services, test rights, maintenance rights and indemnifications and any substitutions, replacements, additions or model conversions of any of the foregoing;

Equipment shall have the meaning assigned thereto by the Uniform Commercial Code.

Fixture shall have the meaning assigned to such term in the Uniform Commercial Code.

Goods shall have the meaning assigned to such term in the Uniform Commercial Code.

Inventory shall mean goods, merchandise and other personal property furnished under any contract of service or intended for sale or lease, including, without limitation, all raw materials, work in process, finished goods and materials and supplies, of any kind, nature, or description, that are used or consumed by Borrower's business, or are or might be used in connection with the manufacture, packing, shipping, advertising, selling, or finishing of such goods, merchandise, and other personal property, and all returned or repossessed goods now or at any time or times hereafter in the possession or under the control of Borrower or Agent.

Uniform Commercial Code shall mean the Uniform Commercial Code as in effect in the State of Illinois on the date of the Security Agreement.

**ANNEX B
TO DECLARATION AND AGREEMENT**

LEGAL DESCRIPTION OF PREMISES

STATE OF _____)
COUNTY OF _____) SS.

The foregoing instrument was acknowledged before me this ____
day of _____ 19__, by _____, the _____ of _____,
a _____.

WITNESS my hand and official seal.*/

Notary Public
My commission expires _____
My address is _____

THIS INSTRUMENT WAS PREPARED BY:

_____, Esq.
Mayer, Brown & Platt
190 South LaSalle Street
Chicago, Illinois 60603

*/ An acknowledgment form customarily used for the state in
which the Premises are located might need to be used.

AGREEMENT
(Patent)

THIS AGREEMENT (PATENT), dated as of _____, 1990 (this "Agreement"), between EL DORADO CHEMICAL COMPANY, ("Borrower"), and HOUSEHOLD COMMERCIAL FINANCIAL SERVICES, INC. ("HCFS"), as Agent (herein, together with its successors and assigns in such capacity, called "Agent") under the Secured Credit Agreement hereinafter referred to;

W I T N E S S E T H:

WHEREAS, pursuant to a Secured Credit Agreement, dated as of May 16, 1990 (together with all amendments and other modifications, if any, from time to time thereafter made thereto, the "Secured Credit Agreement"), among Borrower, HCFS, Connecticut Mutual Life Insurance Company, C.M. Life Insurance Company (herein, together with HCFS called "Lenders" and each individually called "Lender") and Agent, Lenders have extended Commitments to make Loans to Borrower; and

WHEREAS, in connection with the Secured Credit Agreement, Borrower has executed and delivered a Security Agreement, dated as of the date hereof (together with all amendments and other modifications, if any, from time to time thereafter made thereto, the "Security Agreement"); and

WHEREAS, as a condition precedent to the making of the Loans under the Secured Credit Agreement, Borrower is required to execute and deliver this Agreement and to grant to Agent for the benefits of Lenders a continuing security interest in all of the Patent Collateral (as defined below) to secure all Liabilities; and

WHEREAS, Borrower has duly authorized the execution, delivery and performance of this Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and in order to induce Lenders to make the Loans to Borrower pursuant to the Secured Credit Agreement, Borrower agrees, for the benefit of Agent and Lenders, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided or provided by reference in the Security Agreement.

SECTION 2. Grant of Security Interest. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure all of the Liabilities, Borrower does hereby mortgage, pledge and assign to Agent for the benefit of Lenders and grant to Agent for the benefit of Lenders a continuing security interest in, all of the following property (the "Patent Collateral"), whether now owned or hereafter acquired or existing:

(a) all letters patent and applications for letters patent throughout the world, including all patent applications in preparation for filing anywhere in the world and including each patent and patent application referred to in Item A of Attachment 1 hereto;

(b) all patent licenses, including each patent license referred to in Item B of Attachment 1 hereto;

(c) all reissues, divisions, continuations, continuations-in-part, extensions, renewals and reexaminations of any of the items described in the foregoing clauses (a) and (b); and

(d) all proceeds of, and rights associated with, the foregoing (including license royalties and proceeds of infringement suits), the right to sue third parties for past, present or future infringements of any patent or patent application, including any patent or patent application referred to in Item A of Attachment 1 hereto, and for breach or enforcement of any patent license, including any patent license referred to in Item B of Attachment 1 hereto, and all rights corresponding thereto throughout the world.

SECTION 3. Security Agreement. This Agreement has been executed and delivered by Borrower for the purpose of registering the security interest of Agent in the Patent Collateral with the United States Patent and Trademark Office and corresponding offices in other countries of the world. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to Agent under the Security Agreement. The Security Agreement (and all rights and remedies of Agent and Lenders thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Security Interest. Upon payment in full of all Liabilities and the termination of all Commitments, Agent shall, at Borrower's expense, execute and deliver to Borrower all instruments and other documents as may be necessary or proper to release the lien on and security interest in the Patent Collateral which has been granted hereunder.

SECTION 5. Acknowledgment. Borrower does hereby further acknowledge and affirm that the rights and remedies of Agent and Lenders with respect to the security interest in the Patent Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6. Loan Document, etc. This Agreement is a Loan Document executed pursuant to the Secured Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Secured Credit Agreement.

SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

EL DORADO CHEMICAL COMPANY

By: _____
Name Printed: _____
Its: _____

Attention: _____

Telecopy: _____
Telex: _____ (Answerback: _____)
Telephone: _____

HOUSEHOLD COMMERCIAL FINANCIAL
SERVICES, INC., as Agent

By: _____
Name Printed: _____
Its: _____

2700 Sanders Road
Prospect Heights, Illinois 60070
Attention: Corporate Finance
Telecopy: (708) 564-6238
Telex: 254336 (Answerback:
HFCHQPHTS)
Telephone: (708) 564-5000

Item A. Patents

Issued Patents

<u>*Country</u>	<u>Patent No.</u>	<u>Issue Date</u>	<u>Inventor(s)</u>	<u>Title</u>
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Pending Patent Applications

<u>*Country</u>	<u>Serial No.</u>	<u>Filing Date</u>	<u>Inventor(s)</u>	<u>Title</u>
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Patent Applications in Preparation

<u>*Country</u>	<u>Docket No.</u>	<u>Expected Filing Date</u>	<u>Inventor(s)</u>	<u>Title</u>
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Item B. Patent Licenses

<u>*Country or Territory</u>	<u>Licensors</u>	<u>Licensee</u>	<u>Effective Date</u>	<u>Expiration Date</u>	<u>Subject Matter</u>
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* List items related to the United States first for ease of recordation. List items related to other countries next, grouped by country and in alphabetical order by country name.

AGREEMENT
(Trademark)

THIS AGREEMENT (TRADEMARK), dated as of _____, 1990 (this "Agreement"), between EL DORADO CHEMICAL COMPANY, ("Borrower"), and HOUSEHOLD COMMERCIAL FINANCIAL SERVICES, INC. ("HCFS"), as agent (herein, together with its successors and assigns in such capacity, called "Agent") under the Secured Credit Agreement hereinafter referred to;

W I T N E S S E T H:

WHEREAS, pursuant to a Secured Credit Agreement, dated as of May 16, 1990 (together with all amendments and other modifications, if any, from time to time thereafter made thereto, the "Secured Credit Agreement"), among Borrower, HCFS, Connecticut Mutual Life Insurance Company, C.M. Life Insurance Company (herein, together with HCFS called "Lenders" and each individually called "Lender") and Agent, Lenders have extended Commitments to make Loans to Borrower; and

WHEREAS, in connection with the Secured Credit Agreement, Borrower has executed and delivered a Security Agreement, dated as of the date hereof (together with all amendments and other modifications, if any, from time to time thereafter made thereto, the "Security Agreement"); and

WHEREAS, as a condition precedent to the making of the Loans under the Secured Credit Agreement, Borrower is required to execute and deliver this Agreement and to grant to Agent for the benefit of Lenders a continuing security interest in all of the Trademark Collateral (as defined below) to secure all Liabilities; and

WHEREAS, Borrower has duly authorized the execution, delivery and performance of this Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and in order to induce Lenders to make the Loans to Borrower pursuant to the Secured Credit Agreement, Borrower agrees, for the benefit of Agent and Lenders, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided or provided by reference in the Security Agreement.

SECTION 2. Grant of Security Interest. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure all of the Liabilities, Borrower does hereby mortgage, pledge and assign to Agent for the benefit of Lenders and grant to Agent for the benefit of Lenders a continuing security interest in, all of the following property (the "Trademark Collateral"), whether now owned or hereafter acquired or existing:

(a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, certification marks, collective marks, logos, other source of business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of a like nature (each of the foregoing items in this clause (a) being called a "Trademark"), now existing anywhere in the world or hereafter adopted or acquired, whether currently in use or not, all registrations and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications in the United States Patent and Trademark Office or in any office or agency of the United States of America or any State thereof or any foreign country, including those referred to in Item A of Attachment 1 hereto;

(b) all Trademark licenses, including each Trademark license referred to in Item B of Attachment 1 hereto;

(c) all reissues, extensions or renewals of any of the items described in clauses (a) and (b);

(d) all of the goodwill of the business connected with the use of, and symbolized by the items described in, clauses (a) and (b); and

(e) all proceeds of, and rights associated with, the foregoing, including any claim by Borrower against third parties for past, present or future infringement or dilution of any Trademark, Trademark registration, or Trademark license, including any Trademark, Trademark registration or Trademark license referred to in Item A and Item B of Attachment 1 hereto, or for any injury to the goodwill associated with the use of any Trademark or for breach or enforcement of any Trademark license.

SECTION 3. Security Agreement. This Agreement has been executed and delivered by Borrower for the purpose of registering the security interest of Agent in the Trademark Collateral with

the United States Patent and Trademark Office and corresponding offices in other countries of the world. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to Agent under the Security Agreement. The Security Agreement (and all rights and remedies of Agent and thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Security Interest. Upon payment in full of all Liabilities and the termination of all Commitments, Agent shall, at Borrower's expense, execute and deliver to Borrower all instruments and other documents as may be necessary or proper to release the lien on and security interest in the Trademark Collateral which has been granted hereunder.

SECTION 5. Acknowledgment. Borrower does hereby further acknowledge and affirm that the rights and remedies of Agent and Lenders with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6. Loan Document, etc. This Agreement is a Loan Document executed pursuant to the Secured Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Secured Credit Agreement.

SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

EL DORADO CHEMICAL COMPANY

By: _____
Name Printed: _____
Its: _____

Attention: _____

Telecopy: _____
Telex: _____ (Answerback: _____)
Telephone: _____

HOUSEHOLD COMMERCIAL FINANCIAL
SERVICES, INC., as Agent

By: _____
Name Printed: _____
Its: _____

2700 Sanders Road
Prospect Heights, Illinois 60070
Attention: Corporate Finance
Telecopy: (708) 564-6238
Telex: 254336 (Answerback:
HFCHQPHTS)
Telephone: (708) 564-5000

Item A. Trademarks

Registered Trademarks

<u>*Country</u>	<u>Trademark</u>	<u>Registration No.</u>	<u>Registration Date</u>
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Pending Trademark Applications

<u>*Country</u>	<u>Trademark</u>	<u>Serial No.</u>	<u>Filing Date</u>
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Trademark Applications in Preparation

<u>*Country</u>	<u>Trademark</u>	<u>Docket No.</u>	<u>Expected Filing Date</u>	<u>Products/ Services</u>
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Item B. Trademark Licenses

<u>*Country or Territory</u>	<u>Trademark</u>	<u>Licensor</u>	<u>Licensee</u>	<u>Effective Date</u>	<u>Expiration Date</u>
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* List items related to the United States first for ease of recordation. List items related to other countries next, grouped by country and in alphabetical order by country name.

AGREEMENT
(Copyright)

THIS AGREEMENT (COPYRIGHT), dated as of _____, 1990 (this "Agreement"), between EL DORADO CHEMICAL COMPANY, ("Borrower"), and HOUSEHOLD COMMERCIAL FINANCIAL SERVICES, INC. ("HCFS"), as Agent (herein, together with its successors and assigns in such capacity, called "Agent") under the Secured Credit Agreement hereinafter referred to;

W I T N E S S E T H:

WHEREAS, pursuant to a Secured Credit Agreement, dated as of May 16, 1990 (together with all amendments and other modifications, if any, from time to time thereafter made thereto, the "Secured Credit Agreement"), between Borrower, HCFS, Connecticut Mutual Life Insurance Company, C.M. Life Insurance Company (herein, together with HCFS called "Lenders" and each individually called "Lender") and Agent, Lenders have extended Commitments to make Loans to Borrower; and

WHEREAS, in connection with the Secured Credit Agreement, Borrower has executed and delivered a Security Agreement, dated as of the date hereof (together with all amendments and other modifications, if any, from time to time thereafter made thereto, the "Security Agreement"); and

WHEREAS, as a condition precedent to the making of the Loans under the Secured Credit Agreement, Borrower is required to execute and deliver this Agreement and to grant to Agent for the benefit of Lenders a continuing security interest in all of the Copyright Collateral (as defined below) to secure all Liabilities; and

WHEREAS, Borrower has duly authorized the execution, delivery and performance of this Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, and in order to induce Lenders to make the Loans to Borrower pursuant to the Secured Credit Agreement, Borrower agrees, for the benefit of Agent and Lenders, as follows:

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided or provided by reference in the Security Agreement.

SECTION 2. Grant of Security Interest. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure all of the Liabilities, Borrower does hereby mortgage, pledge and assign to Agent for the benefit of Lenders and grant to Agent for the benefit of Lenders a continuing security interest in, all of the following property (the "Copyright Collateral"), whether now owned or hereafter acquired or existing, being all copyrights and all semi-conductor chip product mask works of Borrower, whether statutory or common law, registered or unregistered, now or hereafter in force throughout the world, including, without limitation, all of Borrower's right, title and interest in and to all copyrights registered in the United States Copyright Office or anywhere else in the world and also including, without limitation, the copyrights and mask works referred to in Item A of Attachment 1 attached hereto, and all applications for registration thereof, whether pending or in preparation, all copyright and mask work licenses, including each copyright and mask work license referred to in Item B of Attachment 1 attached hereto, the right to sue for past, present and future infringements of any thereof, all rights corresponding thereto throughout the world, all extensions and renewals of any thereof and all proceeds of the foregoing, including, without limitation, licenses, royalties, income, payments, claims, damages and proceeds of suit.

SECTION 3. Security Agreement. This Agreement has been executed and delivered by Borrower for the purpose of registering the security interest of Agent in the Copyright Collateral with the United States Copyright Office and corresponding offices in other countries of the world. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to Agent under the Security Agreement. The Security Agreement (and all rights and remedies of Agent and Lenders thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Security Interest. Upon payment in full of all Liabilities and the termination of all Commitments, Agent shall, at Borrower's expense, execute and deliver to Borrower all instruments and other documents as may be necessary or proper to release the lien on and security interest in the Copyright Collateral which has been granted hereunder.

SECTION 5. Acknowledgment. Borrower does hereby futher acknowledge and affirm that the rights and remedies of Agent and Lenders with respect to the security interest in the Copyright Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6. Document, etc. This Agreement is a Loan Document executed pursuant to the Secured Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Secured Credit Agreement.

SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

EL DORADO CHEMICAL COMPANY

By: _____
Name Printed: _____
Its: _____

Attention: _____

Telecopy: _____
Telex: _____ (Answerback: _____)
Telephone: _____

HOUSEHOLD COMMERCIAL FINANCIAL
SERVICES, INC., as Agent

By: _____
Name Printed: _____
Its: _____

2700 Sanders Road
Prospect Heights, Illinois 60070
Attention: Corporate Finance
Telecopy: (708) 564-6238
Telex: 254336 (Answerback:
HFCHQPHTS)
Telephone: (708) 564-5000

Item A. Copyrights/Mask Works

Registered Copyrights/Mask Works

<u>*Country</u>	<u>Registration No.</u>	<u>Registration Date</u>	<u>Author(s)</u>	<u>Title</u>
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Copyright/Mask Work Pending Registration Applications

<u>*Country</u>	<u>Serial No.</u>	<u>Filing Date</u>	<u>Author(s)</u>	<u>Title</u>
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Copyright/Mask Work Registration Applications in Preparation

<u>*Country</u>	<u>Docket No.</u>	<u>Expected Filing Date</u>	<u>Author(s)</u>	<u>Title</u>
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Item B. Copyright/Mask Work Licenses

<u>*Country or Territory</u>	<u>Licensor</u>	<u>Licensee</u>	<u>Effective Date</u>	<u>Expiration Date</u>	<u>Subject Matter</u>
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- * List items related to the United States first for ease of recordation. List items related to other countries next, grouped by country and in alphabetical order by country name.